

1 Introduction

1.1 Background

Child care services provide care and developmental activities for children generally aged 12 years and younger. The provision of child care services has been an important social policy objective of governments and other organisations in Australia for the past 25 years (Brennan 1998). The aims and objectives of government support for child care services are to provide services that are accessible, affordable and of high quality, and that allow parents to participate in the workforce and the community (FaCS 1999a:182). As a condition of government funding and regulation, these services must promote and enhance children's emotional, intellectual, social and physical development.

The major type of government-supported child care for children below school age is long day care. Long day care consists of care and developmental activities primarily for children under school age, provided for at least 8 hours a day on normal working days, for at least 48 weeks of the year. Children may use long day care services either full-time or part-time. Long day care is provided in purpose-built (or modified) child care centres – long day care centres – or in family day care services. Family day care services consist of networks of carers (referred to in this report as 'family day care providers') who provide care and development activities in their own homes for other people's children¹. Each network – or 'family day care scheme' – has a central coordination unit that is responsible for selecting providers, placing children with appropriate providers, monitoring care, providing administrative support, and facilitating in-service training.

The Commonwealth Department of Family and Community Services (FaCS) currently supports the provision of formal child care services through Commonwealth Child Care Support (AIHW 2001a). State and Territory Governments also provide support for child care services. The Commonwealth Government supports almost all long day care services in Australia through the provision of fee relief for parents using services. Family day care schemes and some long day care centres in rural, remote and urban fringe areas also receive some operational funding. State and Territory Governments provide some funding for long day care centres but the type of assistance varies by jurisdiction (AIHW 1999:100).

Although the Commonwealth has a major role in supporting the provision of child care services it does not directly provide such services. Long day care centres are provided by private-for-profit bodies, non-profit organisations, local government, non-government organisations and by employers for the benefit of their employees. Local governments and non-profit community organisations are the major providers of family day care services. The State Government is the sole sponsor² of family day care in South Australia (AIHW 1999).

¹ From January 2001, under the In Home Care Initiative, families who do not have access to standard child care services, or whose needs cannot be met by existing services are eligible to have child care provided in their own home (AIHW 2001a).

² The sponsor is the individual, organisation, body or enterprise responsible for the agency or agencies providing the service. Where services are funded, the sponsor signs the funding agreement and is accountable for the funds (AIHW 2000).

Governments use two mechanisms for assuring the quality of child care services – legislative regulations and accreditation (or quality assurance) systems. State and Territory Governments are responsible for licensing and regulating child care services within their jurisdiction. The Commonwealth and some State and Territory Governments also have accreditation systems in place for some of their funded services. Legislative regulations specify the minimum standards, or ‘quantifiable inputs’ (e.g. staff–child ratios and staff qualifications), that must be met for a service to operate. Accreditation systems, on the other hand, focus on measuring the quality of aspects of the services that are delivered, such as staff’s responsiveness to children in their care.

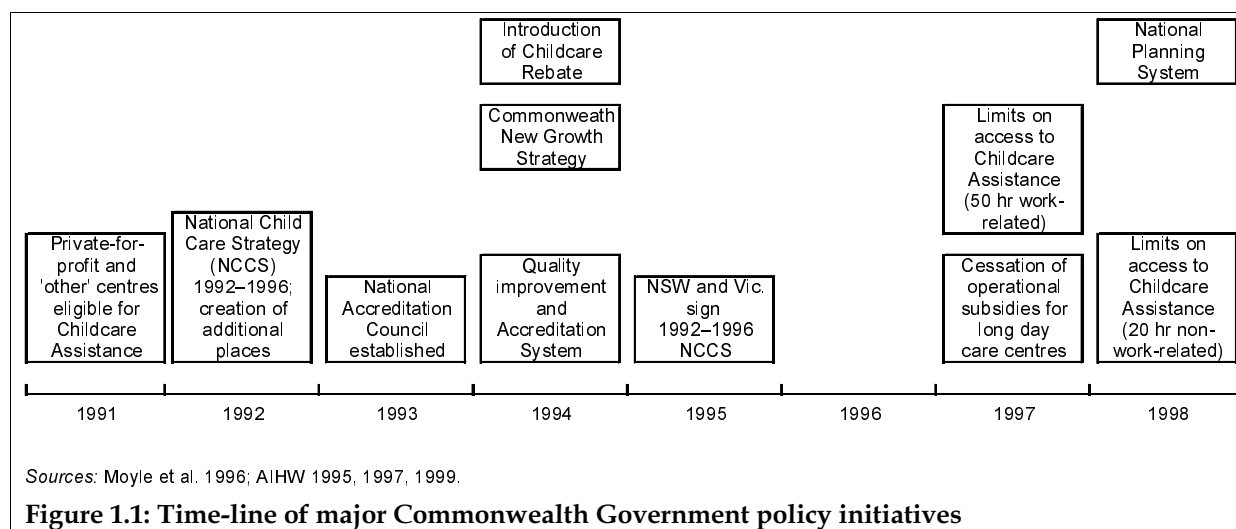
All States and Territories license and regulate centre-based long day care services. Family day care schemes and/or providers are licensed and regulated in New South Wales, Queensland, Western Australia and (from 2000) the Australian Capital Territory. In all other jurisdictions, minimum standards of staff–child ratios and, in some instances, basic environmental conditions are set for family day care services through statute, ordinance or exemption. Since child care standards vary across the different jurisdictions, in the mid-1990s sets of national standards for long day care centres and family day care services were developed by a committee of State and Territory representatives and endorsed by State and Territory Community Services Ministers. The extent to which these national standards have been implemented varies across jurisdictions.

Since 1994, all long day care centres supported by the Commonwealth Government have been required to participate in the Quality Improvement and Accreditation System (QIAS). Family day care schemes have been required to participate in a quality assurance system for family day care since July 2001.

The Commonwealth collects data about the child care services that it supports in order to monitor their development and assist planning. Part of FaCS data collection activity is a census of child care services. Reports of each of these censuses have been published, but a comprehensive analysis of this information over time has not been undertaken. This report uses data from the Commonwealth Censuses of Child Care Services to overview trends and highlight changes in the characteristics of long day care service providers, various aspects of service provision, children using these services and the staff providing services. The report examines trends in long day care services from 1991 – when eligibility for Commonwealth fee relief was first extended to users of all types of long day care centres – to 1999, the most recent year for which data are available. The impact of some of the major changes in government child care policies can thus be examined. Comparisons are also made between the States and Territories for 1999.

A time-line of major policy initiatives is provided in Figure 1.1. In relation to service provision, these initiatives comprised the extension of Childcare Assistance to all long day care centres from 1 January 1991; the 1992–98 Commonwealth–State National Child Care Strategy (NCCS) and the 1994 Commonwealth-only New Growth Strategy which provided funding for several thousand long day care places; the establishment of the National Accreditation Council in 1993, the body responsible for administering the Quality Improvement and Accreditation System (QIAS) introduced in the following year; the withdrawal of operational subsidies from community-based long day care centres from 1 July 1997 and the implementation of a National Planning System for new long day care centre places in 1998. Regarding assistance to parents, the Childcare Rebate to assist parents with the costs of work-related care was introduced in 1994 (see Section 2.6) and the policies limiting parents’ access to Childcare Assistance were introduced in 1997 and 1998 (see Section 3.6).

More information about these initiatives can be found in various editions of the AIHW biennial publication *Australia's Welfare* (AIHW 1995, 1997, 1999).



This report begins with a brief discussion of the Censuses of Child Care Services, the main data sources for the report, followed by an examination of the response rates to the censuses over time by long day care service providers. This is followed by a brief examination of changes between 1991 and 1999 in the number of service providers supported by the Commonwealth to provide long day care services, the number of children using services, and the number of paid workers providing services.

Chapter 2 looks at service information, such as the supply of places for young children, the hours of service operation, and the fees charged. Chapter 3 examines the characteristics of children using services, such as their age, the amount of time they spend in care, and whether or not they are in care for work-related reasons. Chapter 4 discusses the staffing of services, with particular attention to the qualifications and training levels.

1.2 The Census of Child Care Services

The data presented in this report come from the Commonwealth Censuses of Child Care Services (hereafter referred to as the Child Care Census) conducted by the Commonwealth Department of Family and Community Services. As a condition of support, the Commonwealth requires child care service providers to participate in the census. In 1991 and 1992 all Commonwealth-supported services were included in the census. The censuses in 1993, 1995 and 1997 included only long day care services, while the 1994 and 1996 censuses covered all other child care services. No census was conducted in 1998. The last complete census of all Commonwealth-supported services was carried out in 1999. Each census has collected information about various aspects of service provision, the children and parents who use the service, and the staff who provide the service.

This report on long day care services draws together data from a number of censuses to provide a picture of changes over time as well as comparisons between service types and between States and Territories for the latest year. The data for this report come from the published census reports for the years 1991 to 1995, and the census unit record file for the years 1995, 1997 and 1999.

In the censuses covered in this report, long day care centres are divided into the following categories:

- *community-based centres*, which are non-profit services incorporating parents on their management committees
- *private-for-profit centres*
- *employer-sponsored and other non-profit centres* (hereafter referred to as 'other' centres) such as centres provided by employers for their employees and centres at TAFE colleges.

The census forms are mailed to each service provider for self-completion during a standard reference week. In 1991 the standard reference week for community-based centres and family day care services was in May, while for private-for-profit centres and 'other' centres it was in August. In 1993, 1995 and 1997, the standard reference week for all service providers was in August, and in 1999 it was in May.

Each census data set contains information about the response rates to the census, i.e. the number of service providers returning the completed forms as a percentage of all Commonwealth-supported services at the time of the census (Table 1.1). Response rates were very high at the beginning of the period, with a 100% response rate for community-based centres and 'other' centres. By 1999 response rates had fallen somewhat, particularly for private-for-profit and community-based centres.

Table 1.1: Number of long day care service providers responding to the Child Care Census and response rates by type of service provider, 1991, 1992, 1993, 1995, 1997 and 1999

Type of service provider	1991	1992	1993	1995	1997	1999
	Number					
Community-based centres	958	951	1,028	1,053	1,063	1,016
Private-for-profit centres	835	1,041	1,264	1,874	2,307	2,335
'Other' centres	127	180	186	260	286	282
Family day care schemes	314	316	329	340	321	313
	Response rates					
Community-based centres	100	98	99	96	95	94
Private-for-profit centres	95	96	94	91	89	87
'Other' centres	100	98	98	95	96	98
Family day care schemes	99	98	99	91	99	98

Note: 1991 census for community-based centres and family day care services was conducted in May 1991, for private-for-profit and 'other' centres in August 1991. For all other years except 1999, the census for all long day care services was conducted in August. In 1999, the census was conducted in May.

Sources: DHHCS 1992; DSHS 1994, 1995; DHFS 1997; FaCS 1999b, unpublished data.

Response rates for private-for-profit centres fell from 1992 onwards, and for community-based centres from 1993 onwards. By 1999, the response rate for community-based centres was 94%, while private-for-profit centres had the lowest response rate at 87%. Although response rates for family day care services fell sharply between 1993 and 1995 from 99% to 91%, the trend was reversed in 1997. By 1999, the response rate in family day care and 'other' centres was 98%.

Most of the response rates in the various States and Territories in 1999 were above 90% (Table 1.2), except for private-for-profit centres which had a lower response rate overall. Although response rates were lower for a few types of service providers in some of the smaller jurisdictions, these rates should be interpreted with some caution, as they were the

result of the non-response of one or two service providers out of a small number of providers.

Table 1.2: Number of long day care service providers responding to the Child Care Census and response rates by type of service provider and State/Territory, 1999

Type of service provider	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
	Number								
Community-based centres	382	253	141	74	86	31	30	19	1,016
Private-for-profit centres	984	401	630	211	67	16	19	7	2,335
'Other' centres	110	77	30	15	16	6	20	8	282
Family day care schemes	102	71	84	20	12	11	7	6	313
	Response rates								
Community-based centres	96	93	96	90	93	100	100	86	94
Private-for-profit centres	89	86	88	84	86	89	79	78	87
'Other' centres	98	99	97	94	100	100	95	100	98
Family day care schemes	96	99	99	100	100	100	100	75	98

Source: FaCS unpublished data.

1.3 Expansion of long day care services, 1991 to 1999

One of the main reasons for the growth in demand for child care in Australia has been the increasing participation of mothers in the labour force (AIHW 2001a). During the late 1980s and early 1990s the Commonwealth responded to this growth in demand by implementing a number of strategies to increase the supply of child care places to meet the needs of working parents (AIHW 1995:130). The success of these strategies is reflected in the growth of long day care services – both long day care centres and family day care services.

Because of the great variation in the size of long day care centres and family day care schemes (see Chapter 2), it is more appropriate to examine changes in service capacity by examining trends in the number of Commonwealth-supported 'places' than in the number of service providers. In long day care centres, the number of Commonwealth-supported places is equal to the number of children who can receive Commonwealth support for full-time care in a week. For family day care schemes, a 'place' is equal to 35 hours of care a week (see Section 2.1).

Between 1991 and 1999, the number of places in long day care centres grew by 150%. The growth in family day care places was substantially lower, at 51%. The growth in the number of children using services was somewhat lower than the growth in services, an increase of 121% of children using centre-based care and 38% of children in family day care. Although the increase in the number of paid workers in centre-based care was commensurate with the growth in children, at 126%, the number of family day care coordination unit staff increased by only 14% and the number of family day care providers fell by 9% over the period.

Table 1.3: Estimated numbers of long day care service providers, children using services, and paid workers in agencies, by type of service provider, 1991, 1992, 1993, 1995, 1997 and 1999

Type of service provider	1991	1992	1993	1995	1997	1999
Long day care centres						
Places	76,267	93,472	104,152	144,475	182,865	190,326
Children	136,200	159,000	185,700	256,500	294,700	301,500
Paid workers	17,600	21,100	25,000	35,100	40,100	39,700
Family day care schemes						
Places	42,501	45,454	47,855	54,041	62,714	64,037
Children	60,300	69,000	79,600	90,100	85,000	83,100
Paid workers—coordination unit staff	1,400	1,500	1,600	1,800	1,700	1,600
Family day care providers	13,900	14,800	15,200	16,000	14,000	12,700

Note: Data on places are from the FaCS Child Care administrative database at 30 June. Data on children and workers are from the censuses and are adjusted for service provider non-response.

Sources: DHHCS 1992; DSHS 1994, 1995; DHFS 1997; FaCS 1999b, unpublished data.

The information on the number of children and paid workers contained in Table 1.3 is weighted for non-response by the total number of Commonwealth-supported service providers at the time of the census according to the type of service provider, State/Territory and geographic location. In the chapters that follow, however, the unweighted data are used to examine trends in, and distribution of, the characteristics of service providers, various aspects of service provision, children and workers (see AIHW 2000:4). Throughout this report, percentages are calculated excluding missing data.