

Senate Committee: Education and Employment

QUESTION ON NOTICE Budget Estimates 2017 - 2018

Outcome: Schools and Youth

Department of Education and Training Question No. SQ17-000733

Senator Paterson, James provided in writing

Long Day Care centre - funding and attendance

Question

1. What proportion of children attend preschool in a Long Day Care centre, as compared to a dedicated preschool, or any other preschool setting? Does this differ between states and territories? If so, how?
2. What level of federal and/or state government funding do students in each of these settings attract in each jurisdiction? How does this change under the Federal Government's new child care package?

Answer

1. In 2014, 44 per cent were enrolled in Long Day Care (LDC) settings. In 2015, the distribution was almost even, with around 47 per cent enrolled in both dedicated preschool and LDC settings. In 2016, for the first time the majority (51%) of preschool enrolments are in LDC settings, with 43 per cent enrolled in dedicated preschools. There is significant variation across states and territories. For example, only seven per cent of preschool enrolments are in LDC setting in Western Australia, compared with 71 per cent in Queensland. A summary of 2016 data on percentage of children enrolled is below:

Jurisdiction	LDC %	Dedicated preschool %	Multiple settings %
ACT	33	48	18
SA	32	54	14
NSW	65	31	4
Qld	71	26	3
NT	16	72	12
WA	7	80	13
Vic.	46	48	6
Tas.	23	68	9
National	51	43	6

This data is available in the Australian Bureau of Statistics' Preschool National Collection at: www.abs.gov.au/ausstats/abs@.nsf/mf/4240.0.

2. Under current arrangements, the Australian Government contributes more funding where preschool is delivered in a LDC setting because these children attract Universal Access National Partnership funding, as well as fee assistance through the child care system.

In 2018, the Government will contribute \$1237 per child, regardless of setting, under the extension to the National Partnership Agreement on Universal Access to Early Childhood Education for 2018. From July 2018, when the Government's childcare reforms are

implemented, children attending 600 hours of preschool in LDC settings will also attract an average of \$3900 per year through the Child Care Subsidy. This is an increase of around \$900 when compared to 600 hours of CCB/CCR for preschool in a LDC setting in 2015-16.

This double Commonwealth subsidy was identified by the Productivity Commission in its 2014 Report into Childcare and Early Childhood Learning, available at: www.pc.gov.au/inquiries/completed/childcare#report. As a result of this double subsidy, services, families and governments in states and territories that rely heavily on LDC preschool provision receive more Commonwealth funding than those in jurisdictions with strong dedicated preschool sectors.

State and territory government funding arrangements for preschool vary considerably. These reflect different delivery and funding models. Further information on preschool funding shares across states and territories is available on page 499 of the Productivity Commission's report. Information on the relative share of preschool funding can also be found in the Deloitte Review of the National Partnership Agreement on Universal Access to Early Childhood Education at: www.scseec.edu.au/EC-Reports-and-Publications.aspx.