

The early education government report card 2020

Each year the Productivity Commission releases its national report card on child care and kindergarten services in the *Report on Government Services (RoGS)*. Here is a brief rundown on what the Productivity Commission found – both nationally and in Victoria.

National rates

Funding for early education is the same as it was two years ago. State, Territory and Federal Government expenditure on early education services (including CCS funded services and kindergarten) was \$9.8 billion in 2018–19. This is an increase on 2017–18, but was in line with 2016–17.

The Australian Government increased its spending per child nationally by 2.4% since the previous financial year, now spending \$1,900 per child. However, funding cost per child was still 3.3% lower than it was in 2016–17 (\$1,965 per child).

Consistent and timely reporting on rates of enrolment of children with a disability has been negatively impacted by the delay in running the Early Childhood Education and Care National Workforce Census. This valuable data source – which will roll out later in 2020 – also includes rates on the representation of children from non-English speaking backgrounds. As far as we know, these vulnerability groups remain underrepresented in early education nationally. Children in other vulnerability groups – including those with Aboriginal or Torres Strait Islander ancestry and children from regional and remote areas of Australia – are also underrepresented in child care services.

Children from low-income families are strongly represented in CCS approved child care services (14.5% in the community compared with 23.4% in child care). In the year before school children who are disadvantaged (those who live in the lowest quintile of Socio-Economic Disadvantage) have similar rates of representation in the community as they do in kindergarten programs (18.9% compared with 17.7% respectively).

The median weekly cost of 50 hours of child care has risen 5.6% in major cities and inner regional areas, and 6% in outer regional and remote areas. This outstrips the CPI increase over the past 12 months to the December 2019 quarter, which rose 1.8%. This is also a massive jump from the previous year, when the cost of child care rose 2% nationally.

In Victoria

The Victorian Government spends \$481,630 across child care and kindergarten services. The government has consistently increased funding per child over the past ten years. This financial year, funding was a 6.6% increase on the previous financial year (\$431 per child



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compared with \$404 per child in 2017–18). The overwhelming majority of state spending was in kindergarten services, at 96.4%. This is higher than the combined rate for state and territory governments nationally, who together spend 85.8% of their funding in kindergarten services.

Children aged 3–5 years with a disability or with Aboriginal and/or Torres Strait Islander ancestry are represented in kindergarten and child care programs at similar numbers to the numbers they represent in the community.

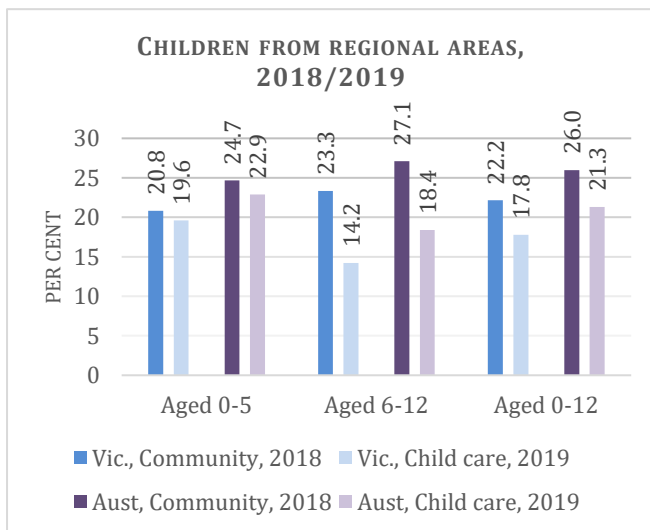
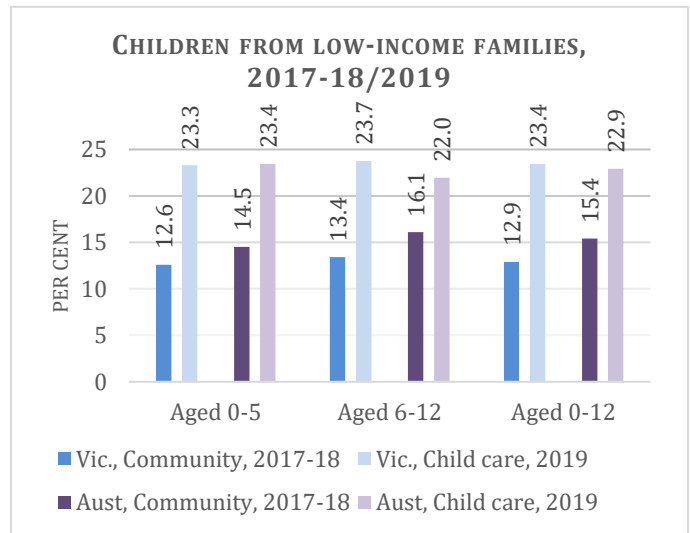
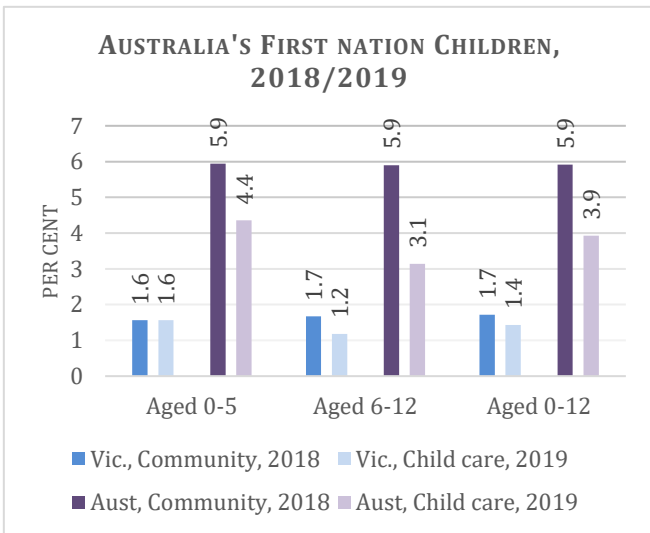
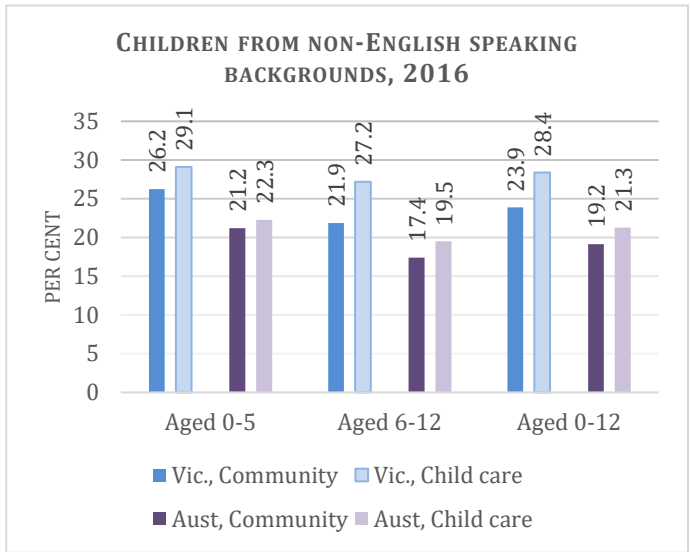
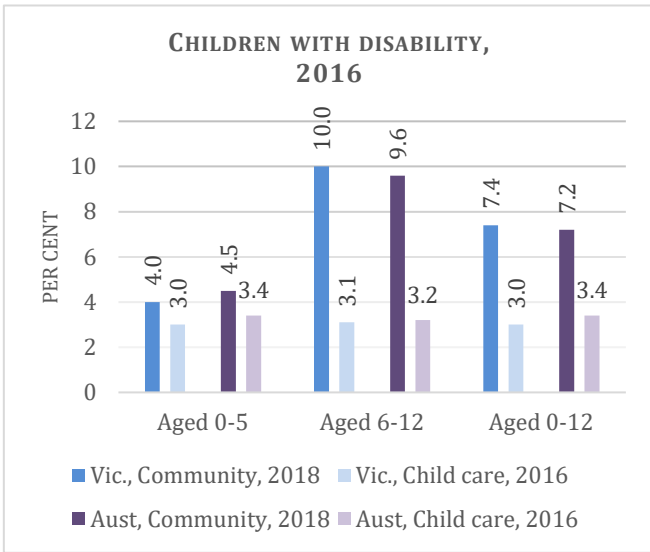
Data from the ABS Survey of Income and Housing for 2017–2018 showed that 12.6% of Victorian children were in families who struggled financially. Assuming rates remained similar, these children were overrepresented in child care services in March 2019 (23.3%).

Fewer Victorian children are accessing outside school hours care, which accounted for an overall drop in the number of children using CCS approved child care services overall. In 2019 there were 1,000 fewer children overall in CCS approved child care.

In Victoria, families pay \$521 a week for 50 hours of child care. The increase in child care costs was slightly less than the increase nationally. In major cities and inner regional areas, the increase was 4.4% and in outer regional areas, the increase was 3.2%. This amounted to an overall increase of 4.4%. This is still a significant jump from the 2017–18 increase (2.6%).

There were 3,987 services in Victoria in 2019, of which 84.7 were rated meeting or exceeding the National Quality Standard (NQS). Victoria saw an increased proportion of services Meeting or Exceeding the NQS this year, consistently increasing for the past three years. Victoria has exceeded the Australian rate of services above the level of Meeting for the previous three years.

See the next page for data on representation for children from regional areas, NESB children, Aboriginal and Torres Strait Islander children, children with a disability, and children who are disadvantaged.



Data is from RoGS 2020, Table 3A.12 'Proportion of children attending Australian Government CCS approved child care services who are from special needs groups, compared with their representation in the community (per cent)'. Caveats are as per original table and not included here.