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## 9 CHILDREN'S SERVICES

### 9.1 Introduction

In 1993, almost half of all children under 12 years of age received care from someone other than their parents (ABS Cat. No. 4402.0). There are two broad categories of paid child care — informal and formal.<sup>1</sup> In the context of this Report, children's services includes formal child care and preschool services. Formal child care refers to regulated care of a child from 0 to 12 years by someone other than the child's parents.<sup>2</sup> Preschool services relate to services provided for children in the year before full-time schooling commences (Box 9.1). As well as providing care, both types of service seek to foster the learning and development of children.

Information on the performance of children's services is being included for the first time in this Report. As with other areas, the framework of indicators developed for this area covers both the efficiency and effectiveness of the provision of services. Effectiveness measures cover the quality of services, the appropriateness of services, the accessibility of services and service outcomes, while efficiency measures focus on the unit cost of services and administrative efficiency.

The framework is a first attempt at developing performance indicators for this sector, and little data were available from states and territories in the format specified in the data collection manual, because of differences in the purposes for which the data were collected. However, all jurisdictions have agreed to work towards providing more comparable and comprehensive data for future collections.

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<sup>1</sup> Informal care refers to non-regulated care by an individual other than the child's parents in the child's home or elsewhere. The only data collected for this Report on informal care services related to the Childcare Cash Rebate.

<sup>2</sup> While formal child care services are available to children aged 12 years and younger, data collected by the Australian Bureau of Statistics (ABS) in their survey on child care services excluded 12 year old children. Data presented in this chapter related to services provided for children 12 years and younger unless otherwise stated.

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### **Box 9.1: Types of children's services — definitions used in the Report**

**Preschool:** services provided for children in the year prior to the first year of school, which aim to further children's social, emotional, physical and intellectual development, their knowledge and understanding of the world and to enhance their transition to school. Such services are usually provided by a qualified teacher on a sessional basis in dedicated preschools (operated by government, community or the private sector). However, preschool type programs or curriculum may also be provided in long day care centres, and are presented as long day care in this Report.

**Formal child care:** regulated care of children from 0 to 12 years provided by someone other than the child's parents outside the child's home. This can be in the form of:

- *a long day care centre:* a service which operates for a minimum of 8 hours per day, 5 days a week;
- *family day care:* care provided for children in the carer's own home. It is largely aimed at 0 to 5 year olds, but primary school aged children may also receive care before and after school and during school vacations. In most states and territories, a network of carers is organised and supported by a central coordination unit. In NSW, WA and Tasmania, home based carers not attached to a scheme but licensed by the State Government also provide recognised family day care;
- *occasional care:* child care provided at a centre on an hourly or sessional basis for parents who need time to attend appointments, take care of personal matters, undertake casual and part-time employment, study, or have temporary respite from full-time parenting. Occasional care also provides developmental opportunities for children;
- *school-aged care:* care provided for school aged children (5 to 12 years) outside school hours during term and during vacations. Care is also provided on student-free days and when school finishes early; and
- *other services:* government funded services to support children with additional needs or in particular situations (including Aboriginal and Torres Strait Islander children, children from culturally and linguistically diverse backgrounds, children with disabilities or children of parents with a disability, and children living in remote and rural areas).

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## 9.2 Sector profile

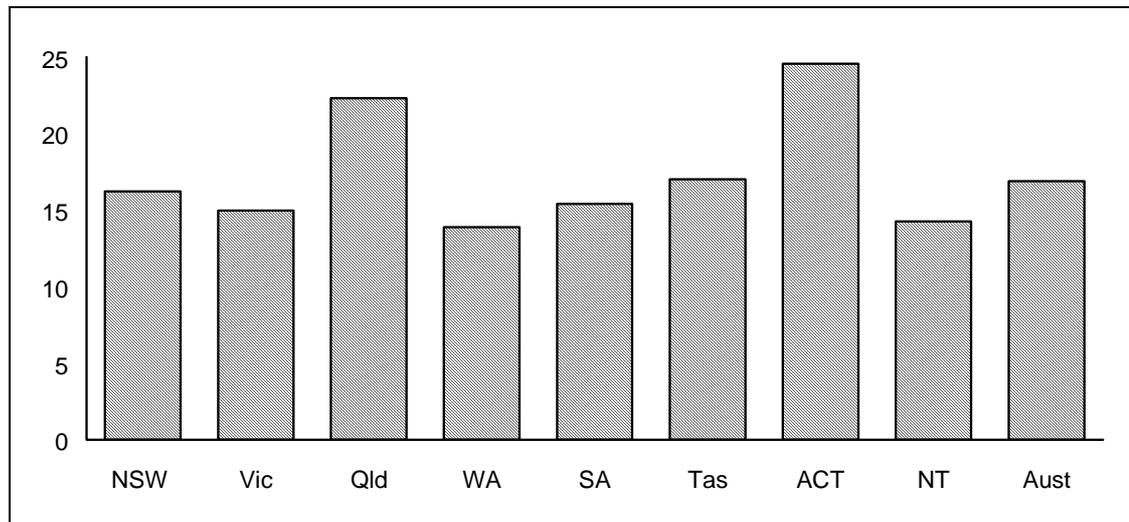
### 9.2.1 Size

#### *Child care*

The potential users of child care services — children aged 12 years or younger — numbered 3.4 million in 1996. The most complete data on the use of child care services in Australia related to children using Commonwealth supported services.<sup>3</sup> At 30 June 1996, 570 300 children used Commonwealth supported child care services, with over half aged between 5 and 12 years of age. This represented 17 per cent of all children aged 12 years and younger in 1996.

The use of Commonwealth supported child care places varied significantly between states and territories. For example, around one-quarter of all children in the ACT and Queensland used these child care services, compared with only 14 per cent of children in WA (Figure 9.1).<sup>4</sup>

Figure 9.1: Proportion of children using Commonwealth Government supported child care services, 30 June 1996 (per cent)<sup>1</sup>



1 As a proportion of children aged 12 years and younger in the population.

Sources: DHFS 1996a; ABS unpublished

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<sup>3</sup> Many child care services receiving funding from the Commonwealth Government also receive funding from State and Territory Governments. To avoid double-counting, where services received funding from both levels of governments, data were provided by the Commonwealth Government.

<sup>4</sup> It should be noted that not all children require formal child care.

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There are also a number of child care services that are not Commonwealth supported, but that receive funding from State and Territory Governments. For example, in 1995–96 the NSW, Queensland and ACT Governments supported care for 143 522 children; in 1994–95 8330 children used services funded by the SA Government. Victoria also funds substantial school age care and occasional care, but as data were collected on the number of attendances, rather than the number of individual children, Victorian data were not comparable and therefore is not reported.

### *Preschool*

Preschools provide a variety of educational and developmental programs for children in the year or two before full time schooling. Some jurisdictions use the term ‘preschool’ to describe their programs (NSW, Victoria, Queensland, ACT and the NT); others use the term ‘kindergarten’ (WA and Tasmania) and SA uses both terms (Moyle, Meyer, Golley and Evans 1996).<sup>5</sup> This disparity results in some confusion in describing the sector on a nationally consistent basis. Preschool as discussed in this Report is limited to services offered to children in the year before full-time schooling.

Approximately 139 300 children attended preschool services in Victoria, Queensland, WA, SA, Tasmania and the ACT in 1995–96. A further 73 600 children attended preschools in NSW, although this included some children attending services other than those offered in the year before full-time schooling.<sup>6</sup>

## **9.2.2 Provision and funding**

State and Territory and Local Governments and not-for-profit and for-profit organisations all play a direct role in the provision of children’s services (Moyle, Meyer, Golley and Evans 1996). In addition, the Commonwealth and State and Territory Governments provide funding to assist in the operation of children’s services provided by other organisations. This Report focuses on the role played by Commonwealth and State and Territory Governments in funding and providing services for children.

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<sup>5</sup> In WA, ‘kindergarten’ refers to services offered to 4 year olds while services for 5 year olds are termed ‘pre-primary’.

<sup>6</sup> Because the school starting age of children varied between jurisdictions, it was difficult to accurately calculate the proportion of children attending preschools in the year prior to the commencement of full time schooling.

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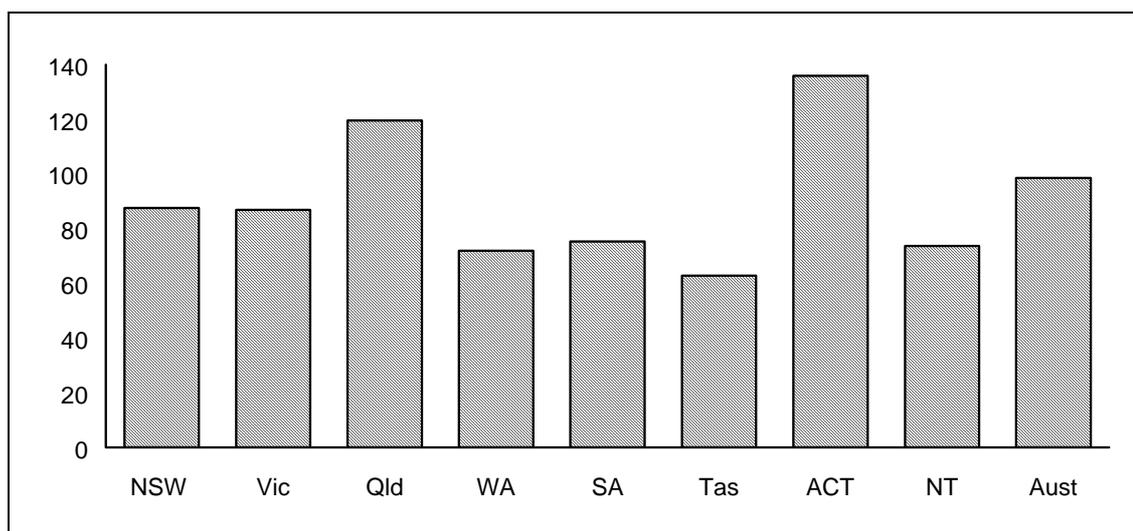
Commonwealth and State and Territory Governments have different roles in the provision of children's services. The Commonwealth's main focus is to promote a national child care system to support work force participation. Therefore, its primary investment is to support affordability through income support.

While also supporting work force participation through the funding and provision of early childhood care and education services, State and Territory Governments have a broader focus which includes the resourcing and licensing of a range of children's services designed to meet a wide variety of needs. The primary objectives are to ensure that the education and development needs of children are met and that parents are supported in caring for their children. In addition, states and territories ensure the provision of information and advice about the availability of high quality services, and dispute resolution processes.

In 1995–96, the Commonwealth Government supported 306 600 child care places, at a cost of \$980 million. Long day care (LDC) centre places accounted for over half of those funded, while outside school hours care (OSHC) and family day care (FDC) places accounted for 21 per cent and 20 per cent respectively. The remaining 6 per cent of places comprised vacation care, occasional care and other care places.

The ACT and Queensland had the largest number of Commonwealth supported places per 1000 children in the population, with 136 and 120 respectively (Figure 9.2). By contrast, Tasmania had 63 places for every 1000 children.

Figure 9.2: Commonwealth Government supported child care places, 30 June 1996 (number per 1000 children)<sup>1</sup>



<sup>1</sup> As a proportion of children aged 12 years and younger in the population.

Sources: DHFS 1996a; ABS unpublished

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In 1995–96, almost 80 per cent of Commonwealth funding to assist families meet their child care fees was allocated via payments such as Childcare Assistance and the Childcare Cash Rebate. Other recurrent funding, including operational subsidies paid to services, accounted for 18 per cent of all funding, with expenditure on administration and capital each representing just over 1 per cent.

State and Territory Government support for children’s services exceeded \$249 million in 1995–96.<sup>7</sup> Expenditure on preschool services accounted for the largest proportion of the total, ranging from 71 per cent in NSW and the ACT to 82 per cent in Victoria.

The bulk of State and Territory Government funding was allocated to other recurrent funding, generally in the form of operational grants made directly to services. For example, other recurrent expenditure ranged from 77 per cent of total expenditure in the ACT to 92 per cent in Victoria. Expenditure on administration ranged from 8 per cent of total expenditure in WA to 12 per cent in the ACT, while the proportion of expenditure on capital ranged from 8 per cent in WA to 24 per cent in Queensland.

### **9.2.3 Regulation of standards and quality**

Standards setting and the monitoring of children’s services are addressed through licensing and funding and these may vary significantly among states and territories and among service types. For example, LDC centres are regulated through legislation in each state and territory: each jurisdiction sets its own minimum standards to which providers must adhere in order to obtain or retain a licence.

By contrast, FDC schemes are not covered by legislation in Victoria, Tasmania, the ACT and the NT. Where services are not covered by legislation, issues of quality and standards may be addressed through quality related funding requirements, such as those imposed on FDC schemes by the Commonwealth Government. Moreover, even where services are governed by legislative requirements, quality may be further enhanced by additional funding requirements over and above those minimum standards contained in legislation, such as the requirements set for funded preschool and occasional care services

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<sup>7</sup> This data understated the contribution made by State and Territory Governments to children’s services in 1995–96. They excluded expenditure by the NT Government on child care services, and expenditure by the Queensland, WA, and NT Governments on preschool services.

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in Victoria. Similarly, the ACT is the only jurisdiction which currently licenses OSHC.

To reduce unnecessary differences in standards and as a reference point for State and Territory Government standards, Commonwealth and State and Territory Ministers agreed on nationally consistent standards for LDC, FDC and OSHC services, to be implemented by 1996 for LDC centres and by 1997 for FDC and OSHC. However, differences may continue because some State and Territory Governments have indicated that they see the standards as a minimum and intend to use them as a basis for higher standards.

Historically, monitoring standards in children's services involved monitoring inputs such as staffing qualifications and levels, physical environments and the program of activities. These have been considered necessary to create an environment in which good quality services can be provided, but they are not sufficient to guarantee it. In 1994, the Commonwealth Government introduced the Quality Improvement and Accreditation System for LDC centres to help them identify where they need to improve and to gradually achieve that improvement. Centres are required to participate in the system to remain eligible for Childcare Assistance.

Although the Quality Improvement and Accreditation System currently applies only to LDC centres, the Commonwealth is considering introducing accreditation (in an appropriate form) throughout the children's services sector, including FDC. The Family Day Care Council of Australia and the child care industry more generally have strongly supported this move.

#### **9.2.4 Access**

Priority of access obligations differ according to service type. For example, most child care services eligible for Childcare Assistance are required to give the highest priority to children of parents with work related needs (that is, working full-time and part-time, studying or training, or looking for employment). The exception is occasional care services, which give priority to parents requiring care to meet other commitments.

Almost 70 per cent of children using child care services in 1993 came from families where both parents worked, compared with only 50 per cent of all children (Table 9.1). By contrast, preschools are a universal service, with no priority of access guidelines. Only 46 per cent of children attending these services were from families with no at-home parent.<sup>8</sup> In addition, the sessional

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<sup>8</sup> These data related to children less than 12 years of age.

nature of most preschool services may preclude families with both parents in the paid work force from accessing the service.

Table 9.1: Children by employment status of parents, 1993 (number and per cent of population)<sup>1</sup>

	<i>Both parents in work force<sup>2</sup></i>		<i>At least one parent not in work force</i>		<i>Total</i>
	<i>'000</i>	<i>Per cent</i>	<i>'000</i>	<i>Per cent</i>	
All children					
0 to 4	536	41	757	59	1 294
5 to 11	1 007	56	786	44	1 792
Total	1 543	50	1 543	50	3 086
Children using children's services					
Child care	267	69	118	31	385
Preschools	108	46	129	54	237
Total <sup>3</sup>	359	60	237	40	596

1 These data related to children aged less than 12 years attending services.

2 Included single parent families.

3 As children may use child care and preschool services, the categories do not add up to total children.

Source: ABS Cat. No. 4402.0

Child care centres eligible for Childcare Assistance also give priority to children with disabilities (or with parents with disabilities), children at risk of abuse or neglect, children of parents at home with more than one child below school age, and children of a sole parent at home. Access is also prioritised *within* each of these groups, with preference going to families on lower incomes, Aboriginal and Torres Strait Islander families, families from culturally and linguistically diverse backgrounds, and socially isolated families.

These guidelines are intended for child care services generally, but the services themselves may have priority guidelines. For example, Technical and Further Education (TAFE) child care services give the highest priority to TAFE students. Similarly, child care services established at universities give priority to the children of their students.

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## **9.3 Recent developments in the sector**

### **9.3.1 Changes in the labour market**

A number of changes in work patterns have affected the demand for children's services. Most significant has been a dramatic increase in the work force participation of women. For example, in the decade to 1995, the female participation rate rose steadily from 46 per cent to 53 per cent. Over the same period, the proportion of women in the work force rose 4 percentage points to 43 per cent (ABS Cat. No. 4102.0).

Other labour market changes affecting the demand for children's services include:

- an increase in the number of hours worked by full-time workers; and
- the use of shift arrangements in a broader range of employment sectors.

These changes in the labour market have been accompanied by changes in family structure, particularly the rise in the number of single parent families. In the ten years to 1992, the number of single parent families increased by 42 per cent to 13 per cent of all families. In 1992, about one million dependent children lived in single parent families — around one in every seven children (EPAC 1996a).

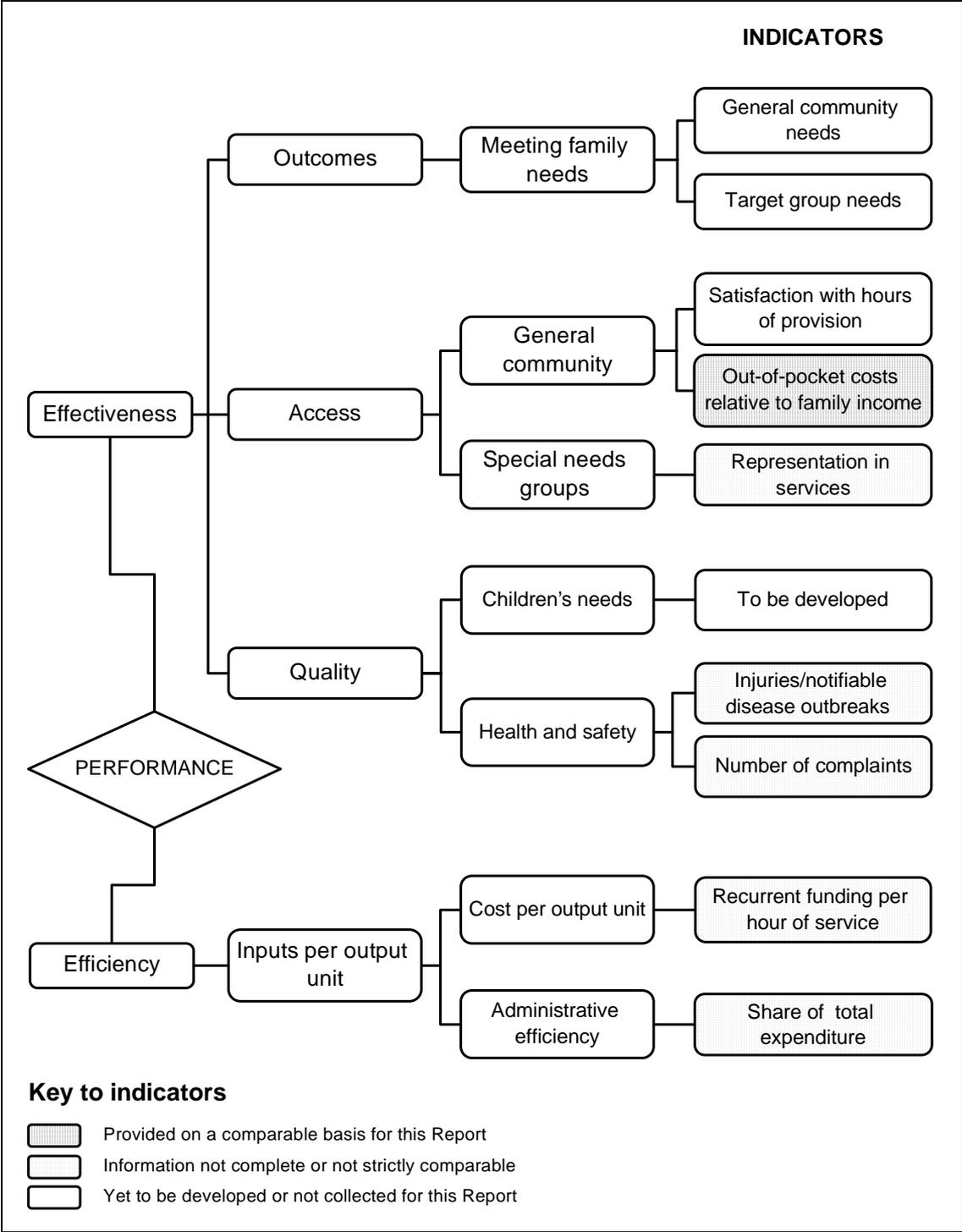
### **9.3.2 Changes in children's services**

There has been some convergence of preschool and child care services. In recent years, child care services have placed more emphasis on the educational and developmental aspects of their services and, in some instances, preschool programs are offered by LDC services. At the same time, some preschools have changed their hours and model of operation to offer services outside their normal preschool hours.

## **9.4 Framework of performance indicators**

A preliminary set of ten indicators has been identified to measure the effectiveness and efficiency of the system that provides children's services (Figure 9.3). They are a first pass at performance indicators for this area. It is anticipated that in the future they will need to be considerably refined and new indicators introduced to reflect changes in the structure of the sector and the availability of data.

Figure 9.3 Framework of performance indicators for children's services



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Indicators often distinguish between preschools and child care services because the two services place a different emphasis on some of the sector's objectives. However, these distinctions have become less clear and so a single framework is used in this Report, with note being made of differences where relevant.

The indicators are based on the following objectives for children's services:

- to support work force participation of parents by providing appropriate care for their children;
- to enhance children's intellectual and social development;
- to provide care for children in family emergencies; and
- to provide occasional care to assist families with parents caring for children at home, and to supplement informal care.

The *effectiveness* indicators address the quality of services, accessibility of services and service outcomes. The framework identifies two components of quality: the ability of services to meet the physical health and safety of children; and their ability to meet the learning and developmental needs of children. Access is examined both in terms of general access to services (such as satisfaction with hours and affordability) and the extent to which services recognise the needs of special needs groups (reflected by the representation of these groups in children's services). Service outcomes assess the extent to which services meet family needs.

The *efficiency* indicators focus on the unit cost of output and administrative efficiency (that is, government administrative expenditure as a proportion of total expenditure).

The data collected also cover a number of contextual descriptors designed to aid interpretation of performance indicator results. The descriptors provide information on the size of the sector (such as the number of children using services, the reasons for their use, the number and range of services, and the amount of labour used to provide those services), the level of government involvement, and the groups targeted by services.

A description of all indicators is provided in Attachment 9A.

## **9.5 Future directions**

The development of descriptors and indicators for the children's services sector was not constrained by the availability of data. Rather an initial attempt was made to develop descriptors which might best provide a comparative picture of

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provision across Australia and indicators which might measure how well the sector is performing in terms of efficiency and effectiveness. For this reason there are limited data in this Report. However, data collections, and descriptors and indicators will be refined for subsequent Reports, with improvements in:

- the coverage of the collection;
- the appropriateness and completeness of the indicator set; and
- the data collected.

### **9.5.1 Coverage of the collection**

Children's services, as currently defined for this Report, do not cover all government funded or provided services available for children. For example, the collection of preschool data has been limited to those services offered to children in the year before full time schooling, excluding those services offered to younger children. As a result, the role of State and Territory Governments in providing children's services is effectively downplayed in some jurisdictions.<sup>9</sup>

The coverage of the collection may be expanded in future years to account for these children's services, or to reflect changes in the sector as a whole.

### **9.5.2 Appropriateness and completeness of the indicator set**

In the short term, priority will be given to improving the appropriateness and completeness of the data set and the content of the data set. Information reflecting the performance of services in meeting the needs of parents was not collected for this Report. A parental satisfaction survey is proposed for inclusion in the next Report. It would provide valuable information on the ability of services to meet the needs of parents and special needs groups, and indicate parents' satisfaction with hours of operation.

### **9.5.3 Content of the data set**

The ability to report on a comparable basis has been limited by each jurisdiction collecting data according to different definitions rather than non-collection of relevant data. In part this has been due to the significant variations in the operation and administration of children's services among jurisdictions. In many

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<sup>9</sup> As well as affecting the coverage of the collection, limiting preschool services to those offered to children in the year before full-time schooling commences also impacted on the unit costs of providing services in some states and territories.

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instances, data were not available in the format set out in the data collection manual (which was largely based on the Commonwealth Government's census of child care services). The task therefore is, over time, to make that data comparable.

In light of this year's experience, descriptors and indicators will be assessed to identify ways of improving comparability. The definitions and descriptions of some data items may need to be altered to enhance comparability, or jurisdictions may need to change their data collection methods. These issues will be considered further in 1997.

The data set may also be influenced by the current review of the Commonwealth's data collection. Changes introduced in the 1996–97 Federal Budget (Costello 1996) require new systems to be developed to replace the existing payments and approval systems and census collections. It is expected that this work will improve access to performance information.

## **9.6 Key performance results**

### **9.6.1 Effectiveness**

The major aspect of effectiveness for which information was available was access. Data were collected for two indicators of access: out-of-pocket costs and the proportion of special needs groups using services relative to their population proportions.

#### *Out-of-pocket costs*

Access to children's services is linked to the out-of-pocket costs of families using children's services relative to their family income. The most recent data on the cost of children's services relate to 1993–94 and were collected as part of the Household Expenditure Survey (ABS Cat. No. 6535.0). Across Australia, the average weekly out-of-pocket expenses for children's services in 1993–94 were \$31. At the state and territory level, the average cost per week of services to families varied significantly — from \$39 in the ACT to \$20 in SA.<sup>10</sup>

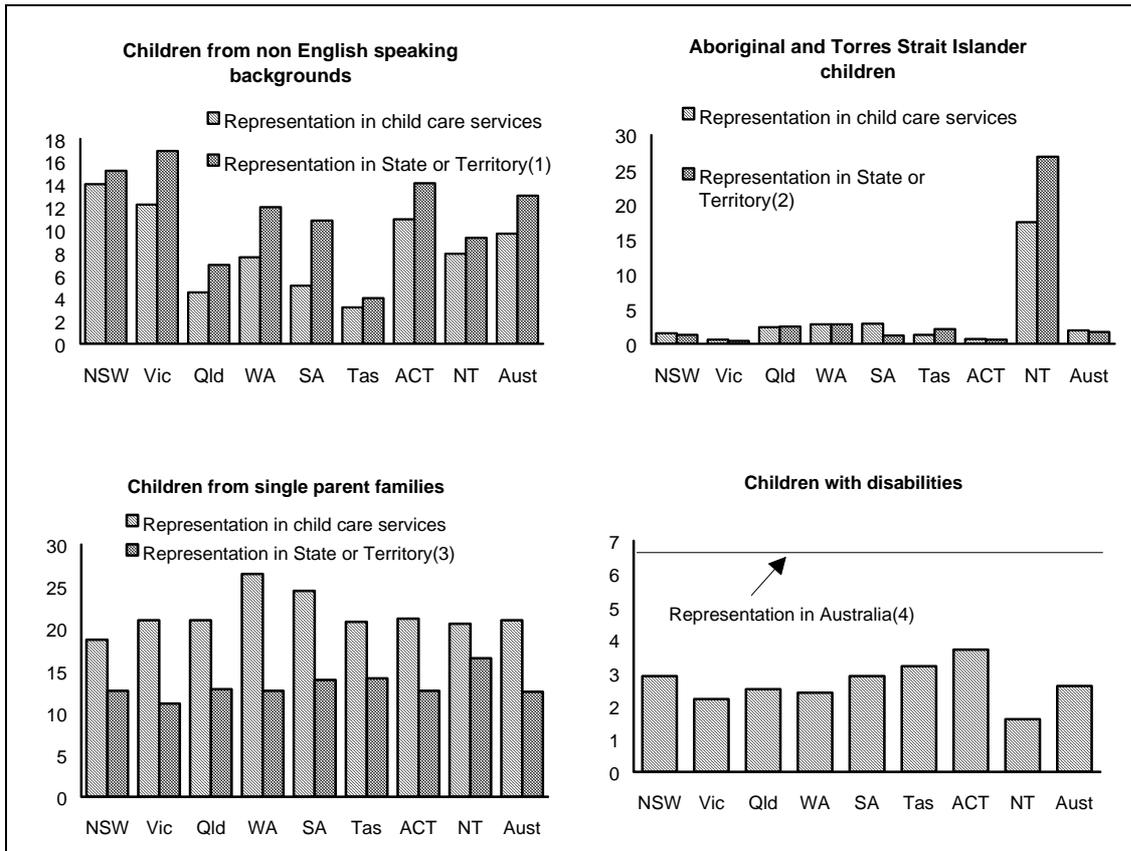
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<sup>10</sup> These data should be interpreted with caution. The data on the average cost of children's services were obtained from the Household Expenditure Survey conducted by the ABS. The method of estimation means that the out-of-pocket costs of children's services may be overstated. They also include expenditure on informal care services.

### Access to child care services by special needs groups

The use of child care services by children from special needs groups such as those from single parent families, indigenous children, those from culturally and linguistically diverse backgrounds and those with a disability varied across jurisdictions (Figure 9.4).

Figure 9.4 Special needs groups using Commonwealth Government supported child care services, 1995–96 (per cent of relevant population)



1 Data related to 1991.

2 Data related to 1994.

3 Data related to 1992.

4 Data related to 1993. Data on total children with disabilities were not available by state and territory.

Sources: Tables 9A.5, 9A.10, 9A.16, 9A.21, 9A.27, 9A.32, 9A.38 and 9A.45

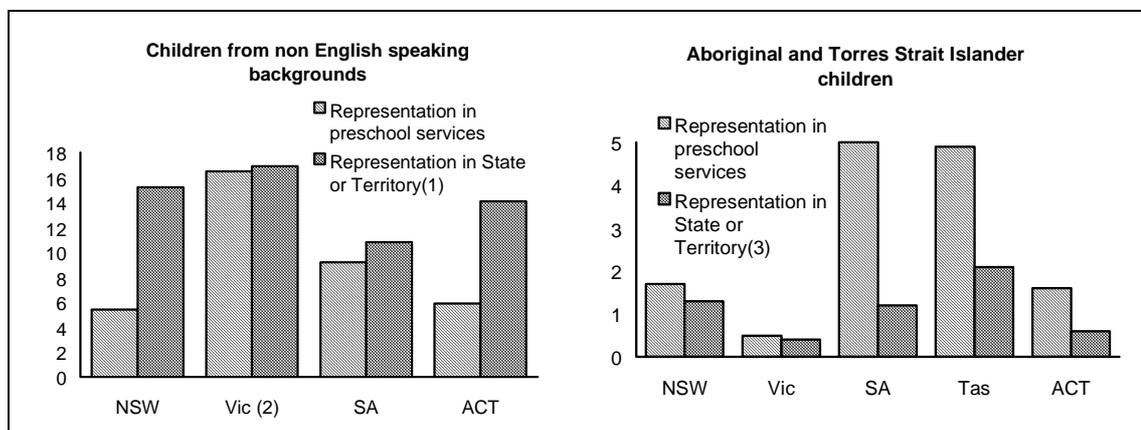
Representation of children from single parent families in Commonwealth supported child care services was well above their representation in the general community. The proportion of Aboriginal and Torres Strait Islander children using Commonwealth Government supported child care services was generally consistent with their representation in the community. The only exception was

in the NT, where indigenous people comprised 18 per cent of children using child care services, compared with representation in the community as a whole of 27 per cent. The representation of children from culturally and linguistically diverse backgrounds and children with disabilities however was below their proportion in the community for all jurisdictions.

### *Access to preschool services by special needs groups*

Availability of data on proportions of special needs groups using preschool services varied between jurisdictions and special needs groups. Four State and Territory Governments provided information on the representation of children from culturally and linguistically diverse backgrounds in preschools. Their representation in Victorian and SA preschools was roughly comparable to that in the community as a whole. By contrast, their representation in NSW and ACT preschools was less than half that in the general community. For each jurisdiction that provided information on the representation of Aboriginal and Torres Strait Islander children in their preschools, the proportion of indigenous children using these services was above their representation in the general community (Figure 9.5).

Figure 9.5: Special needs groups use of preschool services, 1995–96 (per cent of relevant population)



1 Data related to 1991.

2 In Victoria, non English speaking background is defined in terms of the child's and/or parent's birthplace. This differs from the ABS definition of non English speaking background which is based on the language spoken at home.

3 Data related to 1994.

Sources: Tables 9A.5, 9A.10, 9A.27, 9A.32 and 9A.38

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Some states and territories also had some information on the proportion of other special needs groups using their preschool services. Over 20 per cent of children using preschool services in the ACT came from single parent families, although they made up 13 per cent of the community, while 6 per cent and 5 per cent of children in NSW and ACT preschools respectively had a disability, compared with 7 per cent nationally. The proportion of children from rural and remote areas using preschools varied significantly among states and territories, ranging from 0.5 per cent in the ACT, 22 per cent in NSW and 42 per cent and 39 per cent in Tasmania and SA (respectively).

### *Quality*

The health and safety of children is an important factor in determining the quality of children's services. Proposed indicators are the number of serious injuries sustained and the incidence of notifiable outbreaks of disease.

Aggregated data were not readily available for most states and territories, although data were collected at the individual service level. Only the ACT was able to supply any data in this area, and then only for a limited number of service types.

An attempt was also made to measure quality in terms of the number of complaints and alleged breaches made to State and Territory Government regulatory bodies. However, again comprehensive data were not available. There were some limited data for Victoria, WA and the ACT (Attachment 9A).

## **9.6.2 Efficiency**

### *Unit cost*

The main indicator of efficiency of children's services is government recurrent expenditure per hour of service. Data were requested by service type and by jurisdiction. Data on Commonwealth supported child care services indicate little difference among states and territories and service types, although unit costs were slightly higher for occasional care services and slightly lower for school-aged care services (Table 9.2).

Table 9.2: Recurrent expenditure per unit of service for Commonwealth Government supported child care services, 1995–96 (\$ per hour)<sup>1</sup>

	<i>NSW</i>	<i>Vic</i>	<i>Qld</i>	<i>WA</i>	<i>SA</i>	<i>Tas</i>	<i>ACT</i>	<i>NT</i>	<i>Aust</i>
Long day care	1.2	1.2	1.3	1.2	1.2	1.3	0.7	1.1	1.2
Family day care	1.5	2.0	2.1	2.0	2.6	2.0	1.5	1.6	1.9
School-aged care <sup>2</sup>	0.5	0.6	0.5	0.6	0.5	0.5	0.4	0.6	0.5
Occasional care	2.6	2.3	2.0	2.6	3.0	2.3	1.3	11.4	2.5
Other care	na	na	na	na	na	na	na	na	na

na not available

1 These data excluded administration funding and therefore understated the unit cost of Commonwealth supported child care services.

2 School-aged care incorporated Outside school hours and Vacation care services.

Sources: Tables 9A.6, 9A.12, 9A.17, 9A.23, 9A.28, 9A.34, 9A.41 and 9A.46

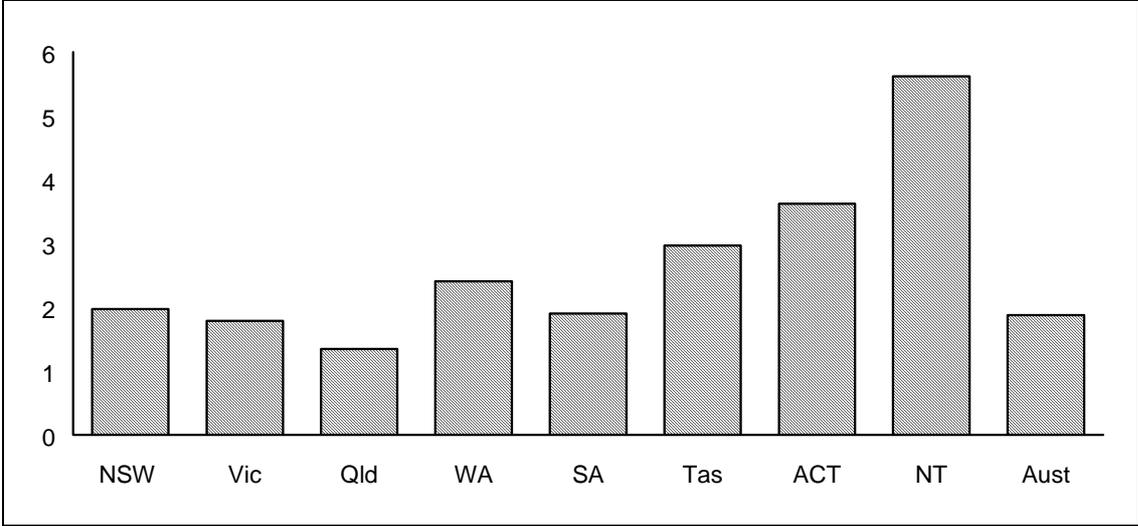
Data from State and Territory Governments on preschool services indicate unit costs for preschools range from \$0.4 per hour for services in the ACT to \$2.1 and \$2.8 for services in NSW and SA.

### *Administrative costs*

Another indicator of efficiency was administration expenditure as a proportion of total expenditure. Information was collected separately for preschool and child care services, and within child care services, a distinction was made between the administrative costs for the Commonwealth Government and State and Territory Governments.

Data on Commonwealth Government supported child care services showed that in 1995–96, the ratio of Commonwealth administrative expenditure to total Commonwealth expenditure was lowest in Queensland based services and highest in the NT (Figure 9.6). However, these data should be interpreted with caution: over 80 per cent of child care places in Queensland were privately provided and thus not eligible for operational or capital subsidies. This resulted in a significantly lower administration cost for child care services in that state.

Figure 9.6: Administrative expenditure as a proportion of total Commonwealth Government expenditure, 1995–96 (per cent)<sup>1</sup>



1 Commonwealth administrative expenditure excluded costs to the Health Insurance Commission and Department of Social Security of administering Childcare Assistance and Childcare Cash Rebate.

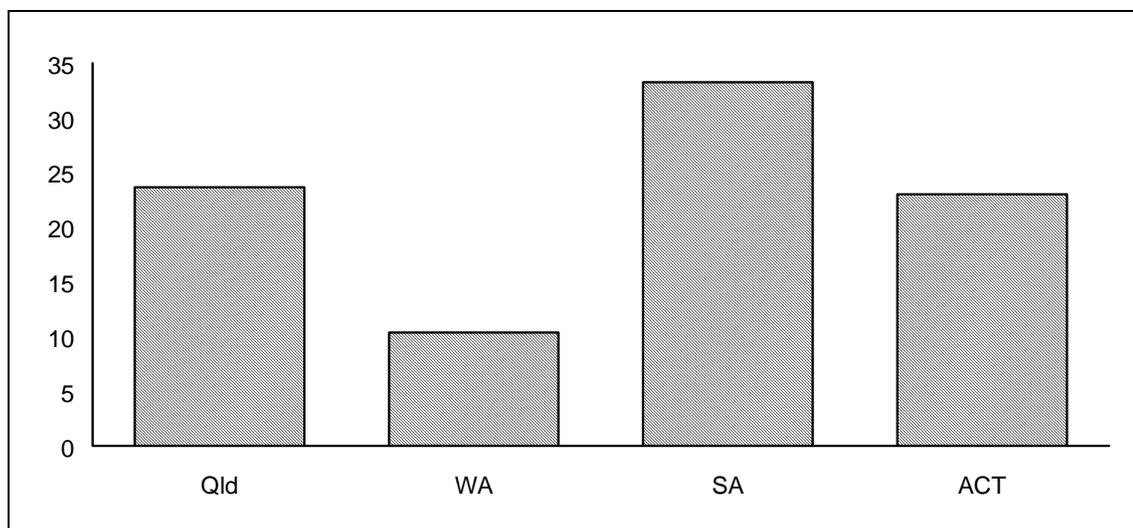
Sources: Tables 9A.6, 9A.12, 9A.17, 9A.23, 9A.28, 9A.34, 9A.41 and 9A.46

As discussed in Section 9.2.2, the Commonwealth and State and Territory Governments play different roles in the provision of child care services. In particular, the State and Territory Governments have an important role in licensing and monitoring standards set for child care services. Because of these differences, it is not appropriate to draw comparisons between the administrative costs of Commonwealth Government funding and that of State and Territory Government funding.

At the State and Territory Government level, four jurisdictions provided information on the administrative costs of their child care services — Queensland, WA, SA and the ACT (Figure 9.7). These data indicate that the administrative costs of State and Territory Government funding for child care services varied significantly across jurisdictions, ranging from 33 per cent of total expenditure for SA to 10 per cent for WA. However, these data must be interpreted carefully: the costs of licensing and regulating children’s services are included in the administration costs for Queensland, SA and the ACT, but in WA these duties are carried out by an independent body for which the funding is included as recurrent expenditure.

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Figure 9.7: Administrative expenditure as a proportion of total expenditure for State and Territory Government funded child care services, 1995–96 (per cent)



Sources: Tables 9A.17, 9A.23, 9A.28 and 9A.41

Data for NSW and Victoria related to child care and preschool services and showed administration accounted for 8 per cent and 9 per cent respectively of total expenditure. SA and the ACT were the only jurisdictions able to provide information on the administrative costs of preschool services alone. In 1995–96, administrative costs comprised 89 per cent of total expenditure on preschools in SA and 7 per cent for the ACT. Once again, these differences must be interpreted carefully as the SA data includes the support costs for all children's services, not just preschools.

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