



Select Committee on the Early Childhood Education and Care Sector in Victoria

Hearing Date: 10 March 2026

Question[s] taken on notice

Directed to: Family Day Care Australia

Received date: 24 March 2026

1. **Georgie CROZIER, p. 41**

Question Asked:

I am just wondering: where are they largely based? Because, as you said, the sector caters for the CALD environment – you said refugees and others in regional Victoria. So where are you predominantly based? Are you in the western suburbs? Are you in regional Victoria in certain areas? Have you got that breakdown as well?

Andrew PATERSON: If you would like, we could certainly provide you with a really detailed breakdown on notice.

Response:

Please see excel file attached to email response titled “VIC Educator data_24032026” for a breakdown of family day care educators by suburb and postcode. **FDCA requests that this information (only) be kept in confidence and not published alongside the other responses provided herein.**

2. **Georgie CROZIER, pp. 41-42**

Question Asked:

Andrew PATERSON: Unfortunately, I do know exactly what you are talking about, yes. Just to rewind quickly, Michael, did you find the number for Victoria in total?

Michael FARRELL: September quarter 2025, 106 approved services in Victoria. We will have to take the educator number on notice.

Georgie CROZIER: Thank you.

Andrew PATERSON: I would say it is roughly the 3000, but we will come back to you with some more specifics on that. Just to your point around what would happen if the sector were to disappear and be unavailable, I think that that would be a significant loss to children, families and communities across Victoria, both metro, regional, rural and remote, and particular cohorts of children as well that I referenced earlier, be it CALD communities and those in other regional and remote communities across the country. I certainly acknowledge and note your point there, and we will come back to you with some specific data.

Response:

- Number of FDC educators (Victoria only, 24 March 2026): 2,517 (Source: FDCA internal member data)
- Number of children in FDC (Victoria only, December 2025): 20,720 (Source: Department of Education, Child Care in Australia report, December Quarter 2025 from <https://www.education.gov.au/early-childhood/about/data-and-reports/quarterly-reports/child-care-subsidy-data-report-december-quarter-2025>)

3. **Georgie CROZIER, p. 43**

Question Asked:

I have just one last one: does that help with their integration into mainstream schools then?

Michael FARRELL: I do not have the report just in front of me at this point in time, but my assumption would be yes. We can provide the report on notice if that helps.

Response:

The AERO report referenced, titled “Promoting equity for multilingual children in early childhood”, does not specifically examine “integration into mainstream schools” as an outcome. However, it does assess children’s developmental outcomes in their first year of school, which are widely used indicators of how well children are prepared to participate and engage in a mainstream school environment.

The report finds that:

- *“emerging multilingual children had better outcomes when they participated in family day care in the early years ... followed by standalone preschool in the year before school”* (p.11).
- This pathway *“appears to benefit children’s Language and Cognitive Skills (school-based) ... and Social Competence ... more than any other combination”* (p.11).
- More broadly, outcomes such as Language and Cognitive Skills and Social Competence are measured at school entry and reflect children’s capacity to engage with learning and peers in a school setting (p.14 describes these domains).

Taken together, this means the report provides evidence that a pathway combining family day care and preschool is associated with stronger school-entry capabilities that underpin successful participation in mainstream schooling.

However, it is important to note that the report does not directly measure integration itself, and the findings are correlational rather than causal.

The report can be found at

<https://www.edresearch.edu.au/research/research-reports/promoting-equity-multilingual-children-early-childhood>

4. Sarah MANSFIELD, p. 43

Question Asked:

... A number of my colleagues have raised the issue that statistically there are perhaps more safety incidents that occur in the family day care setting. From a regulatory perspective, do you think there is a way that the unique safety issues that might arise in a home setting compared to an early learning centre can be better managed and reflected?

Andrew PATERSON: Firstly, Michael, can I just throw to you with regard to the data on incidents? Can you just clarify for me where we stand there? I just cannot recall off the top of my head.

Michael FARRELL: I am not sure specifically what data is being referred to there, but I think if you look at the latest report on government services data and also ACECQA's annual performance report, which looks at the difference in frequency of reported serious incidents and/or breaches, the actual frequency of serious incidents reported in the family day care sector is significantly lower than it is in centre-based care. The frequency per hundred services I think is about half that of centre-based care. But again, we can take that on notice and give you –

Response:

While Senator Mansfield's question speaks to "the unique safety issues that might arise in a home setting compared to an early learning centre can be better managed and reflected", the premise by which the question is framed was that "perhaps more safety incidents that occur in the family day care setting". However, it should be noted that the evidence does not support this premise. 2026 Report on Government Services data (Source: SCRGSP [Steering Committee for the Review of Government Service Provision] 2026, *Report on Government Services 2026 [Child care, education and training (part B)]*, Productivity Commission, Canberra) shows a materially lower rate of serious incidents in family day care compared with centre-based day care. In 2024–25, centre-based day care recorded 210.9 serious incidents per 100 services, while family day care recorded 101.7

serious incidents per 100 services. This represents approximately half the rate of serious incidents in family day care.

Notwithstanding this, FDCA acknowledges that the family day care model is structurally distinct and therefore presents a different risk profile that must be appropriately understood and regulated. As outlined in our evidence to the Committee, family day care operates through a dual-layered governance model, whereby educators deliver education and care within their own homes under the oversight, monitoring and support of an approved service. This model inherently mitigates a number of risks through small group sizes, consistent educator-child relationships and the absence of large group dynamics, while also requiring tailored regulatory approaches to account for the dispersed, home-based setting.

From a regulatory perspective, the key issue is not that risks are greater in family day care, but that they are different. As such, regulatory frameworks must be proportionate, evidence-based and calibrated to those differences, rather than applying a centre-based compliance model to a home-based environment. The current system already contains a number of mechanisms that reflect this, including educator approval processes, service-level oversight and monitoring, and risk-based regulatory intervention.

However, as we highlighted in our evidence, there is increasing concern that elements of the regulatory approach are becoming duplicative, overly prescriptive and insufficiently tailored to the family day care model. This can create administrative burden without a corresponding safety benefit, and in some cases may detract from educators' capacity to focus on the direct supervision, education and care of children.

In our view, strengthening safety outcomes in family day care is best achieved through a regulatory approach that:

- recognises and preserves the structural strengths of the model, including small group settings and strong relational practice;
- supports the critical co-regulatory role of approved services in educator oversight, monitoring and quality assurance;
- applies risk-based, proportionate regulation that is specifically designed for a home-based context; and
- avoids unnecessary duplication or the imposition of centre-based compliance requirements that do not translate effectively to family day care settings.

In summary, the available evidence does not indicate that family day care presents a higher incidence of safety risk. Rather, it highlights the importance of ensuring that regulatory settings are appropriately designed

for the model, so that safety, quality and viability are supported in a balanced and sustainable way.

5. **Melina BATH, pp. 44-45**

Question Asked:

Andrew PATERSON: ...We are currently doing some work with the Commonwealth government trialling what is called a digital-verification-of-attendance system. It is a technological system that can digitally verify that this person was in this place at this time and dropped that child off – and picked them up obviously. So yes, there is a lot of work being done in that space.

Melina BATH: Okay. This topic probably requires longer than 2 minutes, but if you have got more information on that digital attendance, if there is something there, can I ask that as a question on notice? Could you provide that to the committee, because that is interesting?

Response:

In relation to the digital attendance verification component of the FDC Capability Trial, this stream of work is specifically designed to strengthen payment integrity while also improving the experience for providers, educators and families.

The objective of this work is to develop and test a tailored digital solution capable of verifying children's real-time physical attendance in family day care sessions of care. This responds directly to known integrity vulnerabilities within the Child Care Subsidy system, including the need to ensure accurate session reporting, genuine liability for care, and improved auditability of claims.

To deliver this, FDCA has partnered with an external tech provider to design and implement a digital attendance verification solution that leverages technology such as real-time check-in/check-out, GPS geo-location validation and secure identity verification. The intent is to embed integrity at the point of care delivery, rather than relying solely on retrospective compliance or audit processes.

The digital attendance verification trial has now been deployed across multiple family day care services and is generating strong results. Over 18,000 sessions of care have been recorded through the system to date, with high levels of adoption among both educators and parents.

Importantly, feedback has been consistently positive, with users reporting that the system is easier to use than legacy attendance processes and requires less administrative effort.

From an integrity perspective, the trial is demonstrating a number of important capabilities:

- the ability to validate that sign-in and sign-out events are occurring at expected locations, providing assurance that care is being delivered as reported;
- the creation of a digital record that can be linked to Child Care Subsidy claims, supporting more efficient and reliable audit processes;
- improved visibility for providers over attendance patterns and compliance, including potential real-time monitoring capability; and
- the potential to generate broader sector-level data insights to inform policy, planning and investment.

Early learnings also highlight that adoption has been faster than anticipated, particularly where the solution reduces administrative burden for educators and families. At the same time, the trial has identified key considerations for scale, including the importance of integration with existing child care management software systems, the need for flexible approaches to geo-location in a home-based model, and the inclusion of alternative verification methods to accommodate different user preferences.

Overall, the digital attendance verification stream is demonstrating that it is possible to materially strengthen payment integrity in family day care through targeted, technology-enabled solutions that are both effective and user-friendly. As the trial progresses, these insights will inform the development of a scalable model that balances robust integrity safeguards with the practical realities of delivering education and care in a home-based setting.