

National Quality Framework

NQF Annual Performance Report 2023

This slide pack should be read in conjunction with the full Annual Performance Report

More details available at:
[acecqa.gov.au/apr](https://www.acecqa.gov.au/apr)



Acknowledgement of Country



Australian Children's
Education & Care
Quality Authority

ACECQA acknowledges the traditional custodians of all lands across Australia.

We recognise and celebrate the contributions of Aboriginal and Torres Strait Islander peoples as the First Australians, including their role in the education and care of children.

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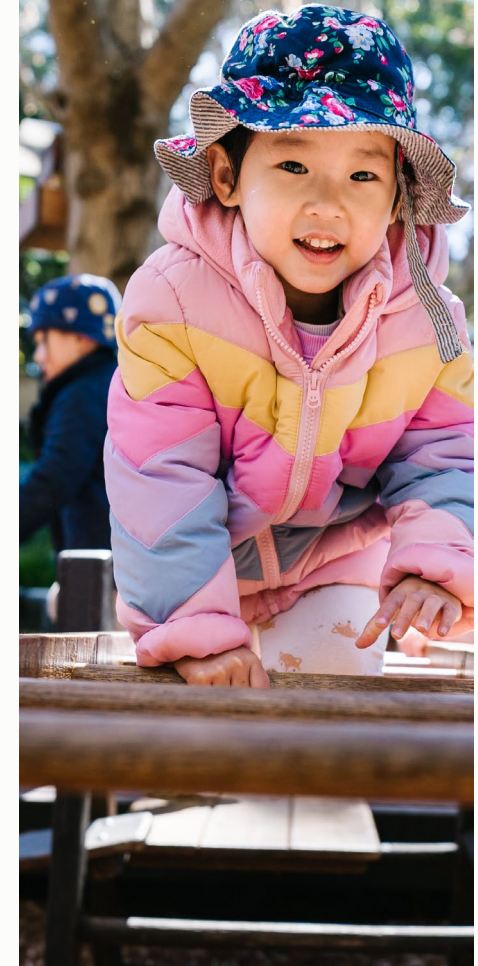
PURPOSE OF THE ANNUAL PERFORMANCE REPORT

The National Quality Framework (NQF) is Australia's commitment to high quality children's education and care. It aims to ensure the health, safety and wellbeing of children attending NQF approved services, as well as promote their educational and developmental outcomes.

This report analyses fundamental aspects of the NQF, including children's health and safety, educational program and practice, workforce trends, and families' understanding of quality.

ACECQA's role is guided by a shared **NQF Evaluation Framework**. In addition to this annual report, we publish quarterly **NQF Snapshots**, **occasional papers** and discrete research projects.

Most of the data used in this report is sourced from the **National Quality Agenda IT System (NQA ITS)**, as at 30 June 2023.



Overview of the children's education sector



OVERVIEW OF THE SECTOR: PROVIDERS

As at **30 June 2023**:

- There were around **7200 service providers**, with **79% operating a single service**.
- The **15 largest providers** in Australia **operate more than 100 services each**, with a combined total of around **3700 services**.
- **Private for-profit providers** operate:
 - **69% of long day care** services
 - **63% of family day care** services
 - **52% of outside school hours care** services
 - **1% of preschools/kindergartens**.
- **‘Private not-for-profit community managed’** providers operate **half of preschools/kindergartens**, with more than a fifth (**21%**) being **‘state/territory and local government managed’**.



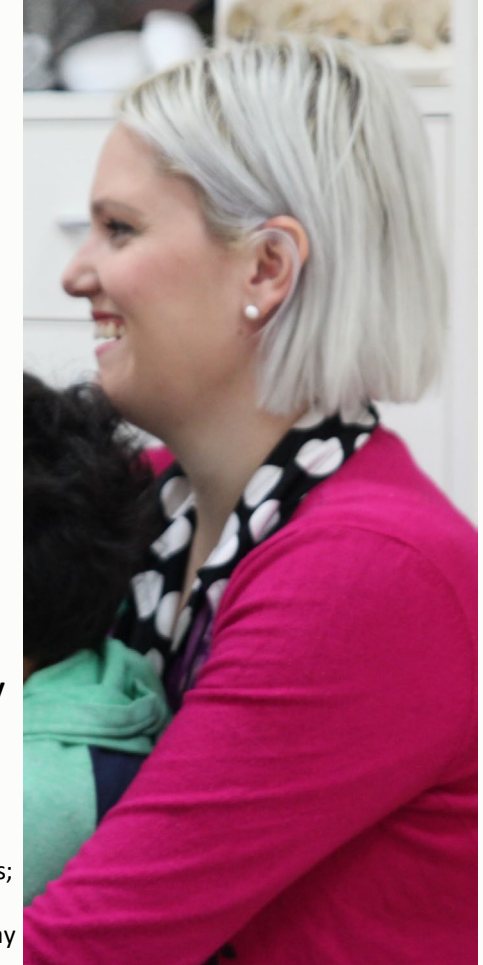
OVERVIEW OF THE SECTOR: SERVICES

As at **30 June 2023**:

- Over **17,300 children's education and care services** approved to operate under the NQF:
 - **51% classified as long day care services**
 - **29% outside school hours care services**
 - **18% preschools/kindergartens**
 - **3% family day care services.**¹
- **Four-fifths (80%) of services located in the three most populous states:** New South Wales (34%), Victoria (27%) and Queensland (19%).
- **More than 15,700 services had a published quality rating**² against the National Quality Standard (NQS), with **89%** of these services **rated Meeting NQS or above.**

¹ Centre-based services offering more than one type of service are classified as follows: services which provide long day care in addition to any other service type are classified as long day care services; services which provide preschool/kindergarten as well as outside school hours care are classified as preschools/kindergartens; services which provide outside school hours care only are classified as outside school hours care services.

² The proportion of services with a quality rating will not reach 100% at any one time because a proportion of services will only recently have been approved and may not have started operating or may have only been operating for a short period of time. In general, state and territory regulatory authorities will not assess and rate newly approved services which have been operating for less than 9-12.



REPORT SNAPSHOT



The NQF aims to ensure the health and safety of all children attending approved education and care services

Chapter 1
Children's health and safety



More than 90% of services are rated Meeting NQS or above for educational program and practice

Chapter 2
Educational program and practice



More services than ever in the most disadvantaged areas of Australia are rated Meeting NQS or above

Chapter 3
Children from vulnerable and disadvantaged backgrounds



Quality outcomes for children depend upon a highly skilled, well supported and professionally recognised workforce

Chapter 4
Workforce



The NQF aims to improve public knowledge and access to information about the quality of children's education and care services

Chapter 5
Families' understanding of quality



Chapter 1

Children's health and safety



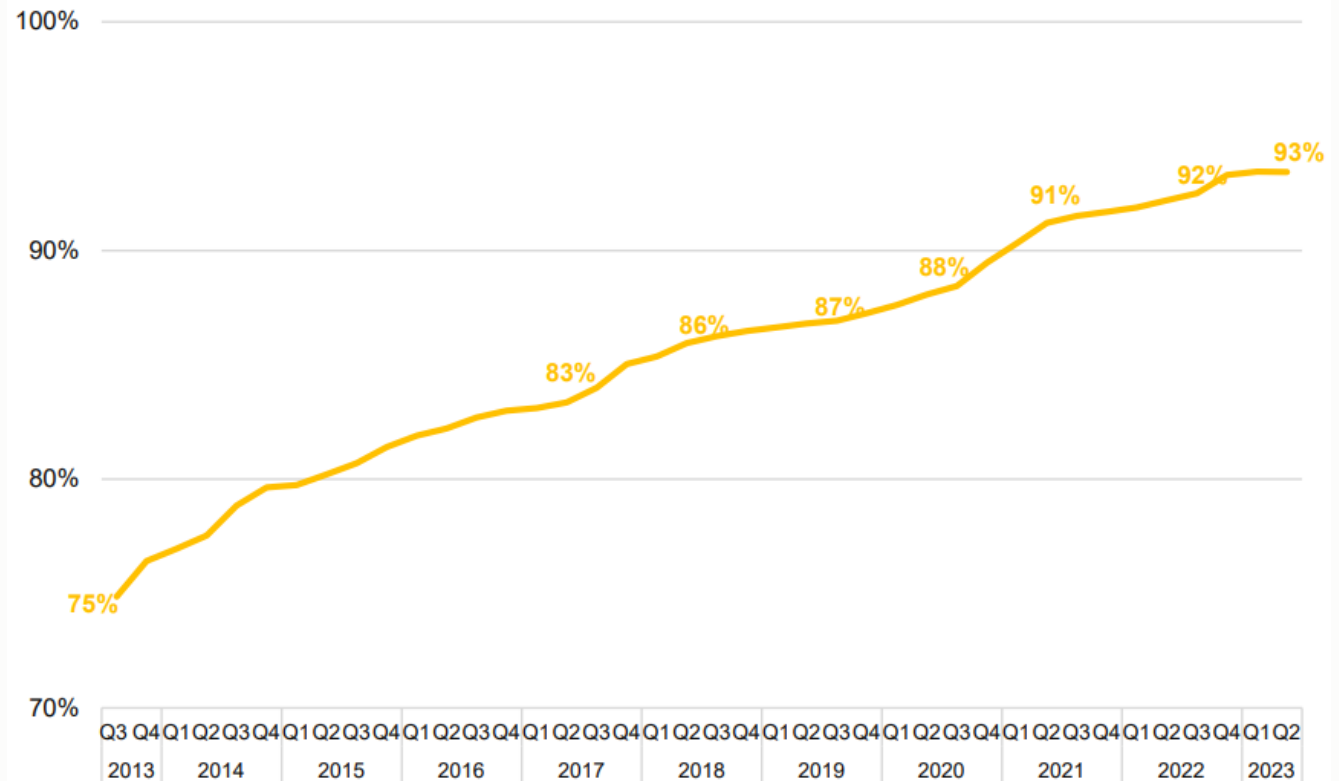
CHILDREN'S HEALTH AND SAFETY

Quality Area 2 of the NQS has two standards that address health and safety.

As at **30 June 2023**:

- **93%** of services are rated **Meeting NQS or above**, up from 92% one year ago and 91% two years ago.

Figure 1: Proportion of services rated Meeting NQS or above for children's health and safety



Chapter 2

Educational program and practice



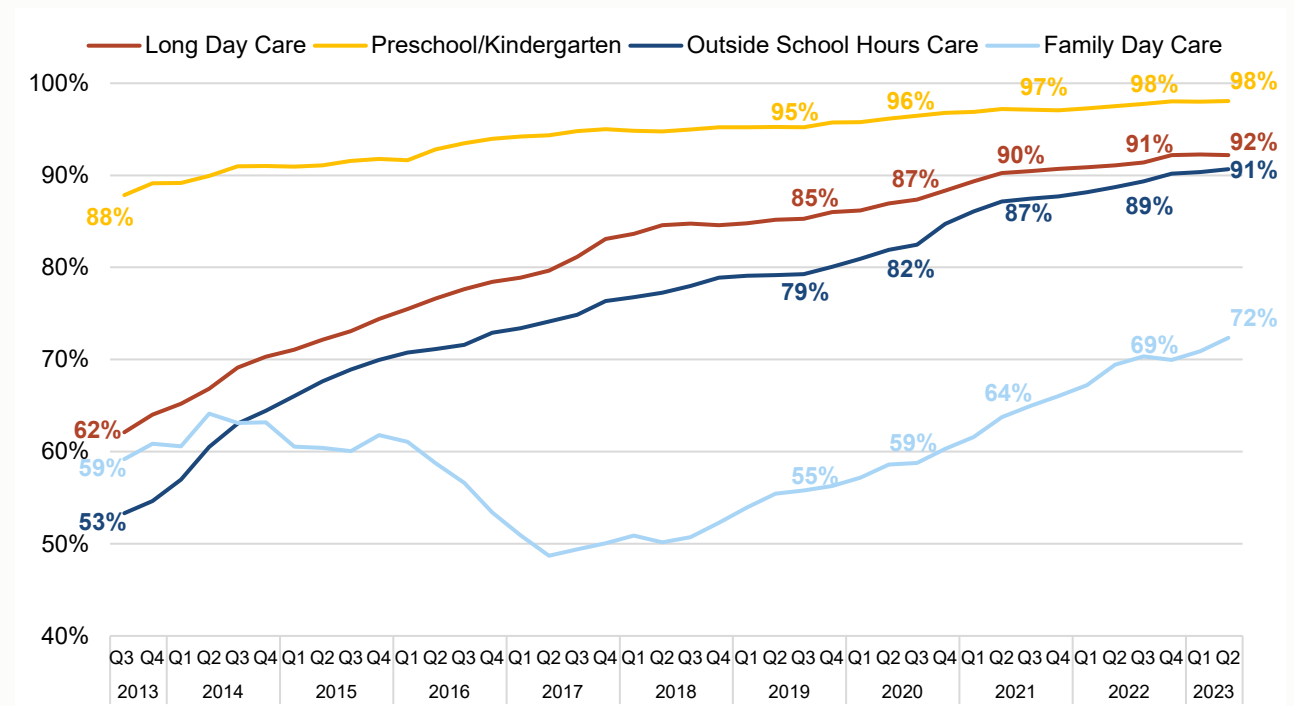
Educational program and practice

Quality Area 1 of the NQS has three standards that address educational program and practice.

As at **30 June 2023**:

- **98%** of preschools/kindergartens are rated **Meeting NQS or above**, followed by **92%** of long day care services and **91%** of outside school hours care services.
- Almost three-quarters (**72%**) of **family day care services** are rated Meeting NQS or above – **the highest proportion to date**.

Figure 2: Proportion of services rated Meeting NQS or above for educational program and practice



Chapter 3

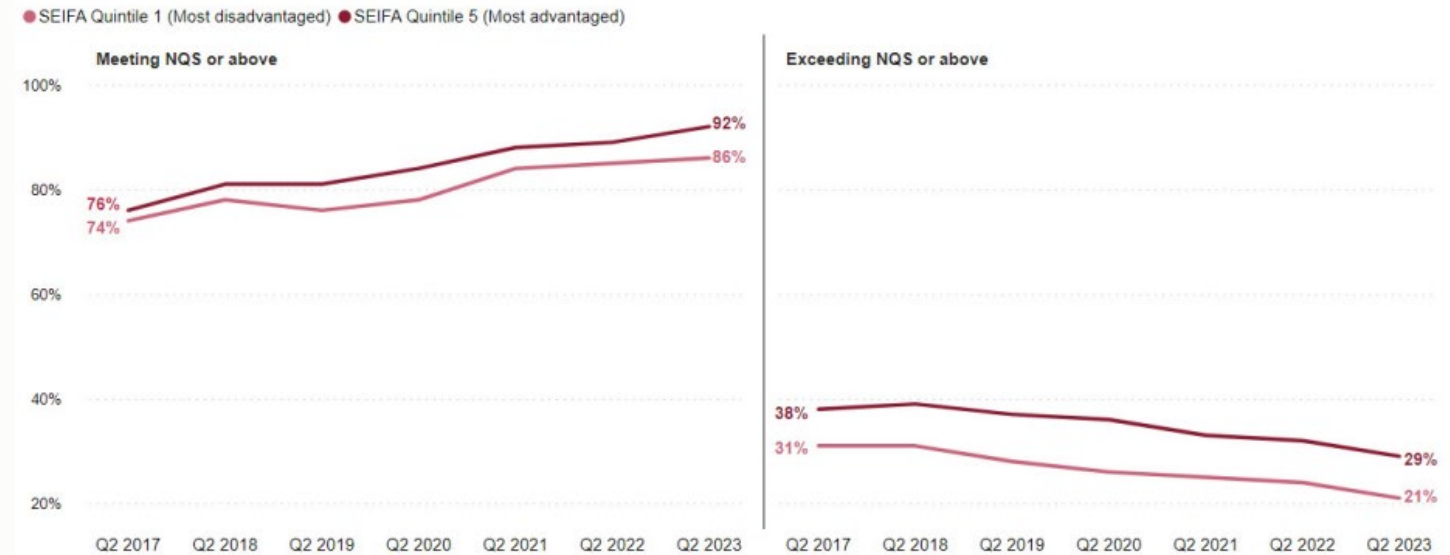
Children from vulnerable and disadvantaged backgrounds



Children from vulnerable and disadvantaged backgrounds

- Children from more **disadvantaged backgrounds** are more likely to be **developmentally vulnerable** and receive the **greatest benefits from attending high quality education and care services**.
- As at 30 June 2023, **86%** of services in the **most disadvantaged areas** are rated **Meeting NQS or above**, compared with **92%** in the **most advantaged areas**. This gap has endured over the last seven years.
- **Differences** in the distribution of quality ratings are **most pronounced at the high end**, with **21%** of services in Australia's **most disadvantaged areas** rated **Exceeding NQS or above**, compared with **29%** in the **most advantaged areas**.

Figure 3: Comparison of overall quality ratings between the most disadvantaged and most advantaged areas



Chapter 4

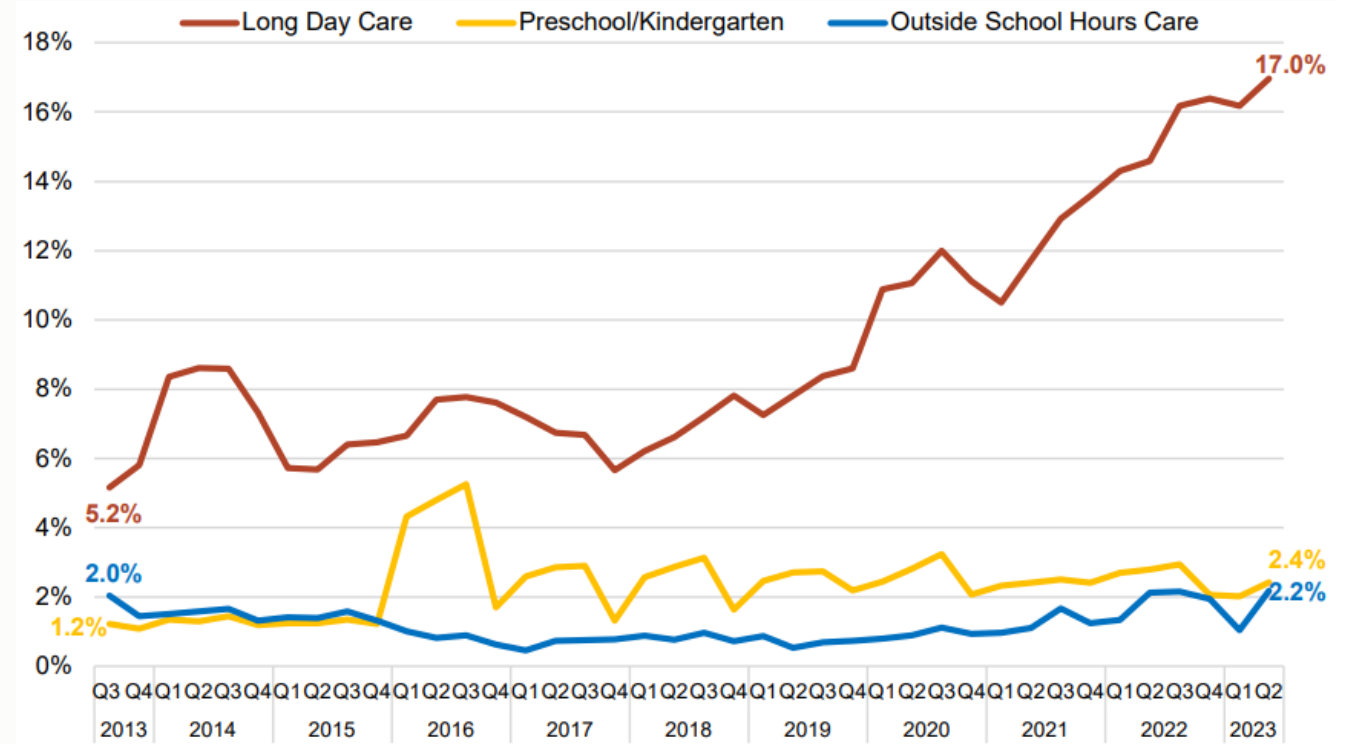
Workforce



Workforce

- Quality outcomes for children depend upon a **highly skilled, well supported and professionally recognised workforce**.
- As at 30 June 2023, **17.0%** of **long day care services** hold a **staffing waiver**, compared with **2.4%** of **preschools/kindergartens** and **2.2%** of **outside school hours care services**.
- The **recent high proportions** follow the introduction of **new staffing requirements** on 1 January 2020 and the ongoing **impact of COVID-19**, as well as **persistent workforce challenges**, particularly in relation to the supply of, and demand for, **early childhood teachers**.

Figure 4: Proportion of services with a staffing waiver by centre-based service type



[acecqa.gov.au/national-workforce-strategy](https://www.acecqa.gov.au/national-workforce-strategy)

Chapter 5

Families' understanding of quality



Families' understanding of quality

- The NQF aims to **improve public knowledge and access to information** about the **quality** of children's education and care services.
- The **quality rating** of the service continues to be ranked as the **least important** relative to other **decision-making factors**.
- Based on ACECQA's biennial families' survey, **skilled educators, cost and accessibility** are the **most important decision-making factors** for families when choosing a children's education and care service.

Figure 5: Survey respondents' ranking of the most important factors when choosing a children's education and care service (weighted averages)

Decision-making factors	2017	2019	2021	2023
Quality rating	3.53	3.35	3.72	3.54
Word of mouth / recommendations	4.10	4.05	3.86	3.86
The general 'feel' of the service	4.24	4.47	4.36	4.46
Reputation of the service and its provider	4.75	4.77	4.70	4.71
High quality early learning program	4.62	4.60	4.83	4.80
Location / accessibility	5.14	5.13	4.88	4.83
Cost / affordability	4.98	5.05	4.76	4.89
Highly skilled educators	4.63	4.56	4.88	4.93



More information: www.acecqa.gov.au/apr

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