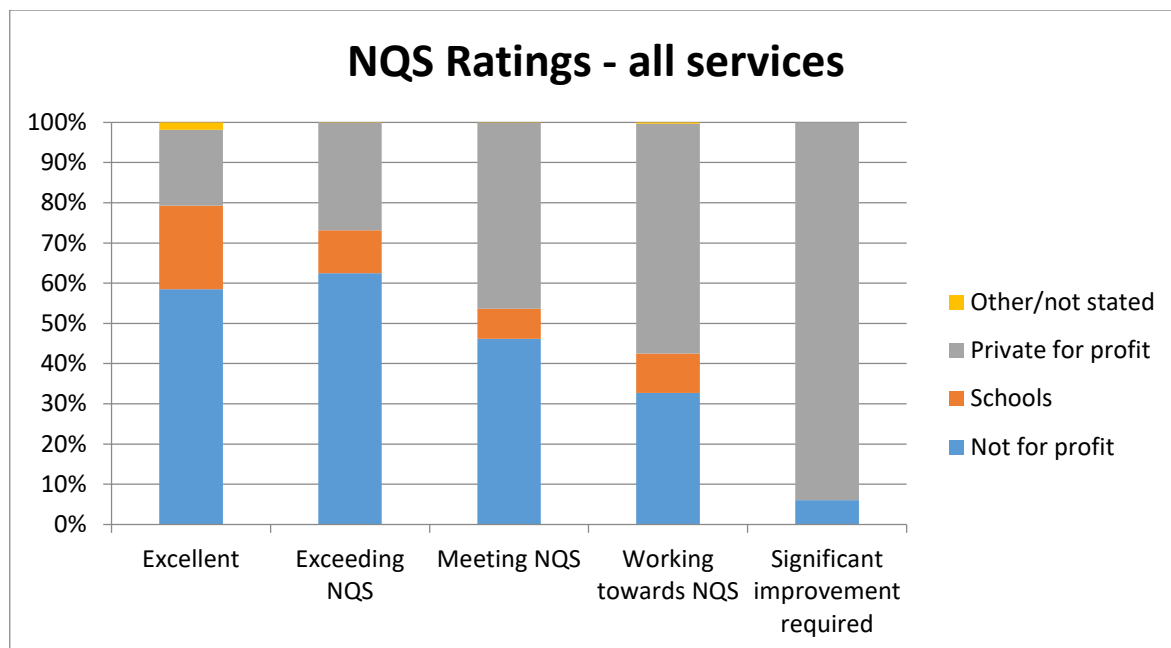


# NOT FOR PROFIT SERVICES ARE CONSISTENTLY HIGHER QUALITY

Prue Warrilow and Brian Newman

As of 31 December 2016 more than 13,000 early childhood education and care services in Australia have been rated under the National Quality Standards (the vast majority – 86% - of services in Australia). The *Ratings Snapshots* from ACECQA consistently show that not for profit children's services have higher quality ratings than for profit operators.

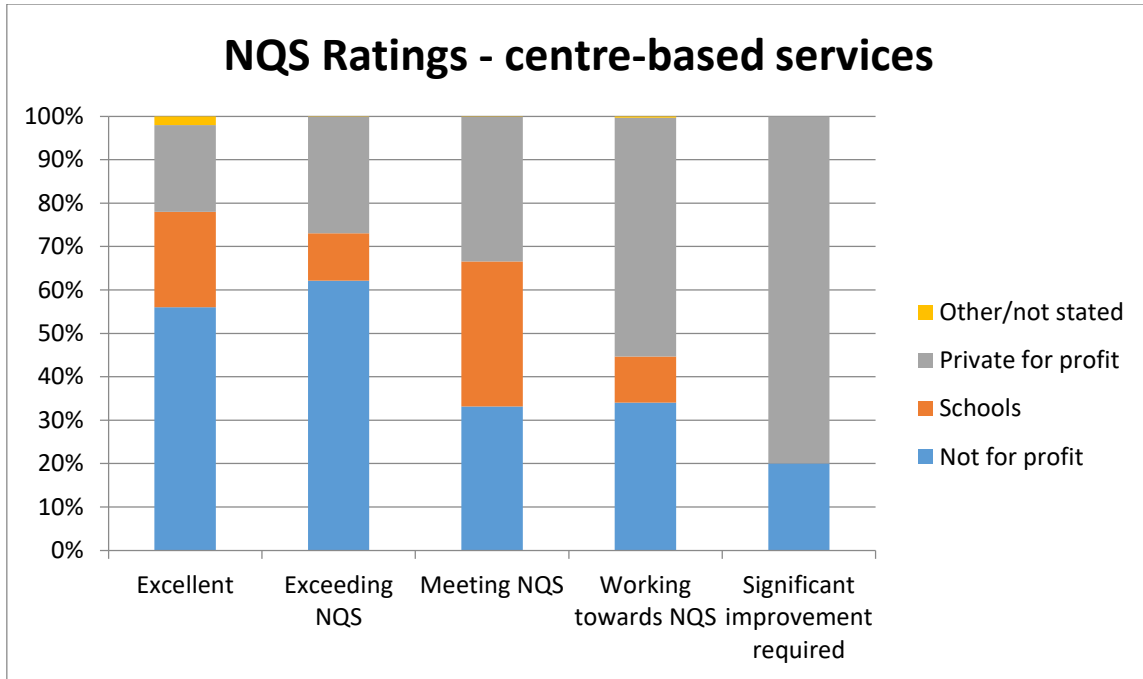
- More than three quarters of the services that are rated as Excellent quality are not-for-profit (including schools) - only around 25% are for-profit
- 31 of the 33 services rated as needing significant improvement are for-profit



Source: Australian Children's Education and Care Quality Authority National Quality Standard Data, as at 31 December 2016, released on 9 February 2017

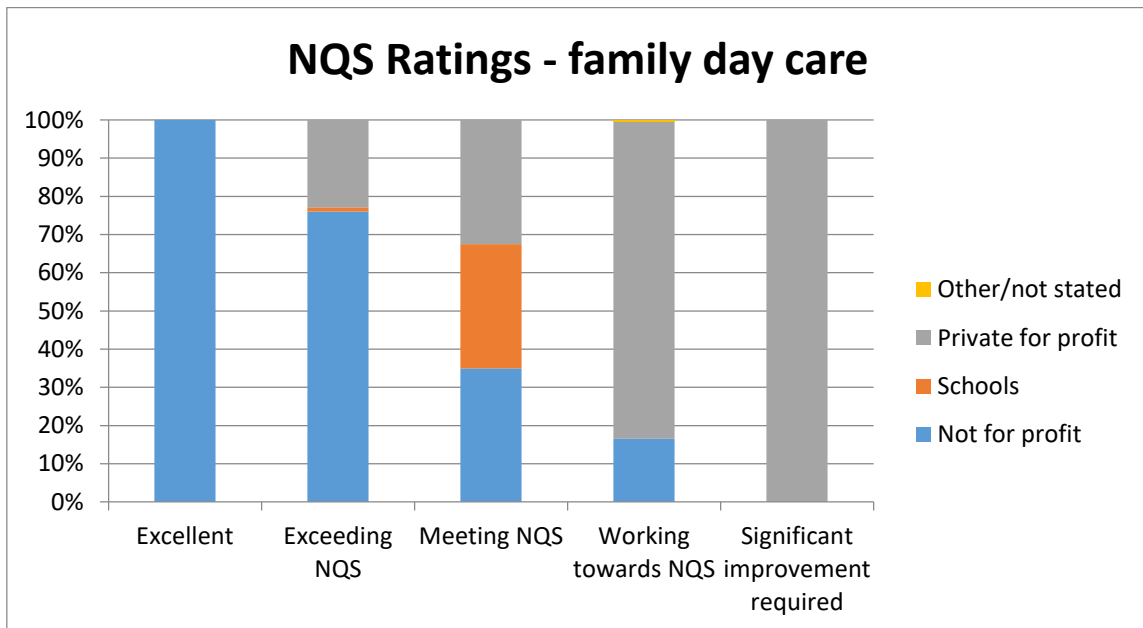
Looking at centre-based services (defined by ACECQA to include long day care, preschool/kindergarten and out of school hours services) a similar picture emerges. 40% of not for profit and 36% of school centre-based services have been rated as Exceeding NQS, in contrast to 20% of for profit centre-based services. 'Not for profit' includes services operated by local and state government as well as the range of community organisations and cooperatives.

We know that there are some very average not for profit children's services and some very good for profit services; however, the ratings show a clear picture that not for profit children's services are twice as likely to achieve a rating of Exceeding NQS as for profit services. Conversely, for profit services are much more likely to be rated as Working Towards NQS and Significant Improvement Required than not for profit services - Working Towards 34% in contrast to 19% and Significant Improvement Required 0.15% in contrast to 0.03%.



Source: Australian Children's Education and Care Quality Authority National Quality Standard Data, as at 31 December 2016, released on 9 February 2017

Sadly, in family day care the contrast is much more stark, with only 6% of private family day care services receiving an Exceeding rating and 65% receiving Working Towards NQS.



Source: Australian Children's Education and Care Quality Authority National Quality Standard Data, as at 31 December 2016, released on 9 February 2017

We are able to get a much better picture of quality outcomes by service type from ACECQA data following lobbying from ACCS - we asked that quality rating be reported by service type. It would be great to get similar data for OSHC services. OSHC services provide a unique blend of leisure and educational activities that are very different to long day care and family day care. Lumping OSHC into the centre-based category makes it challenging to really understand what's going on in quality by service type.