CHILDCARE NEEDS ASSESSMENT

Proposed Development Site
31 Bahrs Scrub Road
BAHRS SCRUB QLD 4207

Report prepared for:

Flynn Nune Developments 6 Pty Ltd ATF Bahrs Scrub 2 Unit Trust

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IMPORTANT INFORMATION

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INTRODUCTION

This Childcare Needs Assessment provides an independent assessment of the community, economic and planning need for long day care services in BAHRS SCRUB, QUEENSLAND - specifically concerning a proposed long day care centre located at 31 Bahrs Scrub Road, Bahrs Scrub QLD 4207.

The report includes a review of existing long day care facilities (supply) in the local catchment area (including estimates of occupancy rates and fees for existing centres); estimates of demand for long day care from the resident and non-resident working population; and a demographic profile of the local area. It also provides an analysis of key demand drivers for childcare and an assessment of the extent to which the existing supply of long day care is meeting current levels of demand.

This assessment is restricted to the demand and supply of long day care centres. Other forms of informal childcare and centre-based childcare (i.e. kindergarten/preschool and outside school hours care) service separate markets and are not considered relevant to assessing the need for long day care.

ABBREVIATIONS USED IN THIS REPORT

ABS - Australian Bureau of Statistics
ACECQA - Australian Children's Education and Care Quality Authority
ASGS - Australian Statistical Geography Standard
CCS – Child Care Subsidy
ERP - Estimated Resident Population
FLFPR – Female labour Force Participation Rate
LGA - Local Government Area
NQS - National Quality Standard
OSHC – Outside School Hours Care
ROGS – Report on Government Services
SA1 or SA2 – Statistical Area Level 1 or 2 (ABS Geography Level)

Note: This report should be read in conjunction with the Appendices which explain the benchmarks used in the report and many of the terms and concepts used.

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ABOUT BUSINESS GEOGRAPHICS

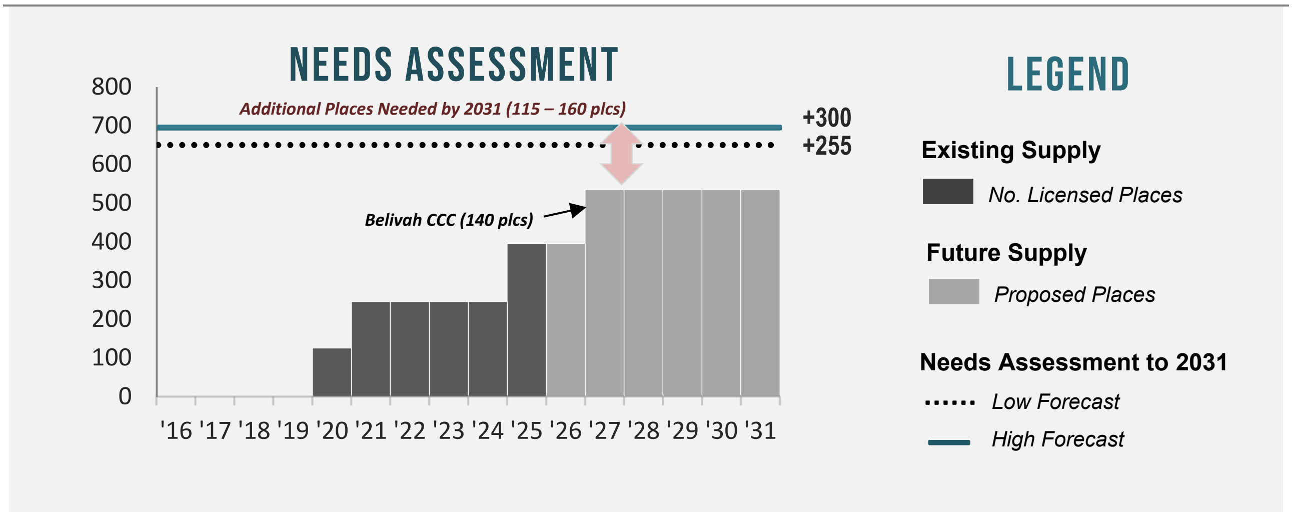
Business Geographics are specialists in childcare location research. We work with the leading names in childcare in Australia and our clients include Australia's largest childcare providers as well as many independent management groups, operators & developers.

We produce hundreds of needs assessments each year throughout Australia and have a detailed understanding of local market trends and conditions. We maintain a comprehensive database of long day care centres and developments and closely monitor relevant demographic data, population forecasts and residential development trends.

We also provide a ready-made mapping online platform tailored to the specific needs of childcare operators, developers and investors. Qikmaps can be used to conduct quick desktop appraisals of prospective sites and identify new opportunities for centre development and/or acquisition. More information is available at www.qikmaps.com.au

EXECUTIVE SUMMARY

- Overall, it's Business Geographic's view that there is an economic, community and planning need for additional childcare in Bahrs Scrub – particularly to service forecast demand growth from planned residential development.
- The existing supply network has limited availability and is insufficient to adequately meet the forecast needs of the community over the next 6 years to 2031 (and beyond). It's conservatively estimated that an additional 255 – 300 childcare places will be needed to adequately support the day-to-day needs of the local community and provide sufficient choice and flexibility to consumers (at a healthy average occupancy rate of 75%).
- It's noted that a 140-place centre has been approved for development at Belivah and is on track for completion by late 2026/early 2027. However, this will be insufficient to meet the forecast need to 2031 and it's estimated that if this is the only addition to supply the market will revert to an undersupply by 2028/29.
- In summary, it's Business Geographic's view that the proposed development be supported for the following reasons (which are described in more detail throughout this report) -
  - The proposed development is consistent with the forecast needs of the area;
  - The proposed development would not compromise the amenity and character of the local neighbourhood. Nor will it have any adverse impacts on the existing network of centres;
  - The location is convenient and accessible for newly emerging communities in Bahrs Scrub and is co-located with other community faculities (school/childcare);
  - There are no other suitably zoned alternative sites in the local catchment available to accommodate the proposed use;
  - Whilst there is early planning provision for a local centre in the Brookhaven Masterplan, this may also be utilised for other retail/commercial uses, has no set timeframe for development, and does not address the immediate need for childcare;
  - There are no dedicated stand-alone kindergarten services in Bahrs Scrub;
  - If the subject site is not developed, the local market may become undersupplied once more by 2028/29.
- Overall, the development of a new childcare centre at the subject site would greatly improve childcare choice, availability and amenity. Any impacts on the existing network would be expected to be minor, ameliorated over time and outweighed by the positive economic benefits to the local community of improved local childcare options.
- The proposed small increase in places will help address a significant local community, economic and planning need. As shown throughout this report, there is an economic need – in that there is sufficient demand to support the proposed increase in places at a sustainable level; a community need – to the extent that the proposed increase in places will improve childcare accessibility and the physical wellbeing of the community; and there is a planning need – in that there is an underlying unsatisfied demand for additional childcare places that is not being adequately met by the planning scheme in its current form.
- Therefore, for the reasons outlined in this report, it's Business Geographic's view that there is a strong and immediate need for the proposed development and it should be supported.



SUMMARY OF KEY STATISTICAL INDICATORS

Table 1 summarises some of the key statistical indicators from the report that describe the long day care market in the study area. It provides a quick overview of key information provided in the report.

------ ***KEY STATISTICAL INDICATORS*** ------		
DEMAND INDICATORS	**LOCAL CATCHMENT**	**QLD AVERAGE**
Total Population (2025)	10,740	
Children Aged Under 5 (%)	754 (7.02%)	5.67%
Recent Growth 2021-2025 (Under 5)	78 (2.89% p.a.)	-0.40%
Forecast Growth 2025-2031 (Under 5)	355 (6.73% p.a.)	1.85% p.a. *(ABS & Other Sources)*
Long Day Care Participation Rate	65%	56% *(2025)*
Resident Demand (Under 5)	319	*Locally generated demand*
Resident Demand (5-year-olds)	+11	*Uplift for 5-year-olds*
Net Daily Demand	330	*Demand serviced locally*
SUPPLY INDICATORS		
No. of Long Day Care Centres (2025)	3	
Supply of Long Day Care Places (2025)	395	
Change in Supply 2021 – 2025 (%)	270 new places (+216.0%)	13.3%
Average Daily Fee	$165 *(Range from $162 to $168.50)*	$140 *(2025)*
Vacancies at Existing Centres	VERY LIMITED VACANCIES	
NEEDS ASSESSMENT		
Average Estimated Occupancy Rate (%)	83.54%	78.0% *(2025)*
Ratio of Children per LDC Place	1.91:1	1.9 *(2025)*
Assessment of Market	SUPPLY RESTRICTION	
Potential Additional Market Need	255 to 300 places to 2031	*Assuming participation rate of 65% - 70%*
Development Pipeline[1]	A search for childcare development applications and/or approvals within the catchment, returned only one (1) relevant result: **Belivah CCC (140 places) -** 422 Beaudesert Beenleigh Road, BELIVAH DA REF - **MCUI/15/2024** STATUS - **Development Approval (Conditional) (Nov24)| Construction Ceritficate Issued (Sept2025)** It is unknown if any other applications or approvals exist. Interested parties should undertake their own inquiries and monitor the market for future developments.	

[1] NOTE: Information regarding Development Applications or Approvals should not be interpreted as conclusive. This information is sourced from third-parties and its accuracy is not able to be verified by Business Geographics. This information is of course also subject to change. Interested parties may wish to discuss development activity in an area of interest in more detail with the relevant local government authority and/or a consultant town planner.

PROPOSED DEVELOPMENT

The developer of the subject site is an established provider that currently operates the existing 120-place Bahrs Scrub Early Learning Centre across the road at 31 Bahrs Scrub Road.

This centre is highly-regarded and is operating at or close to capacity. The proposed development at the subject site will complement the existing centre and provide a similar level of quality care for local families.

It's relevant to note that the existing Bahrs Scrub Early Learning Centre is recognised as having a significant 'point of difference' to more traditional 'mainstream' childcare centres, by providing a learning environment that is superior to most existing offerings at mainstream centres. This includes the establishment of an integrated learning environment not typically associated with standard childcare centres incorporating –

- a unique playscape environment with a 'farm stay' aspect including live animal pen – chicken coop; herb garden water spray jets and flowing creek bed;
- a focus on the provision of an outdoor learning environment with live animals;
- high quality play apparatus;
- replications of the natural environment.

The proposed development at the subject site will incorporate these same aspects including –

- Implementing it's WOW Philosophy – The Wonders of Wildhood – which functions as an integrated learning environment with a seamless transition and cohesion between 'indoor' and 'outdoor' and educational values which incorporate and reflect the natural environment.
- Developing a large and unique playscape environment which will include enhanced play equipment, landscaping and an animal pen.

LOCAL CONTEXT

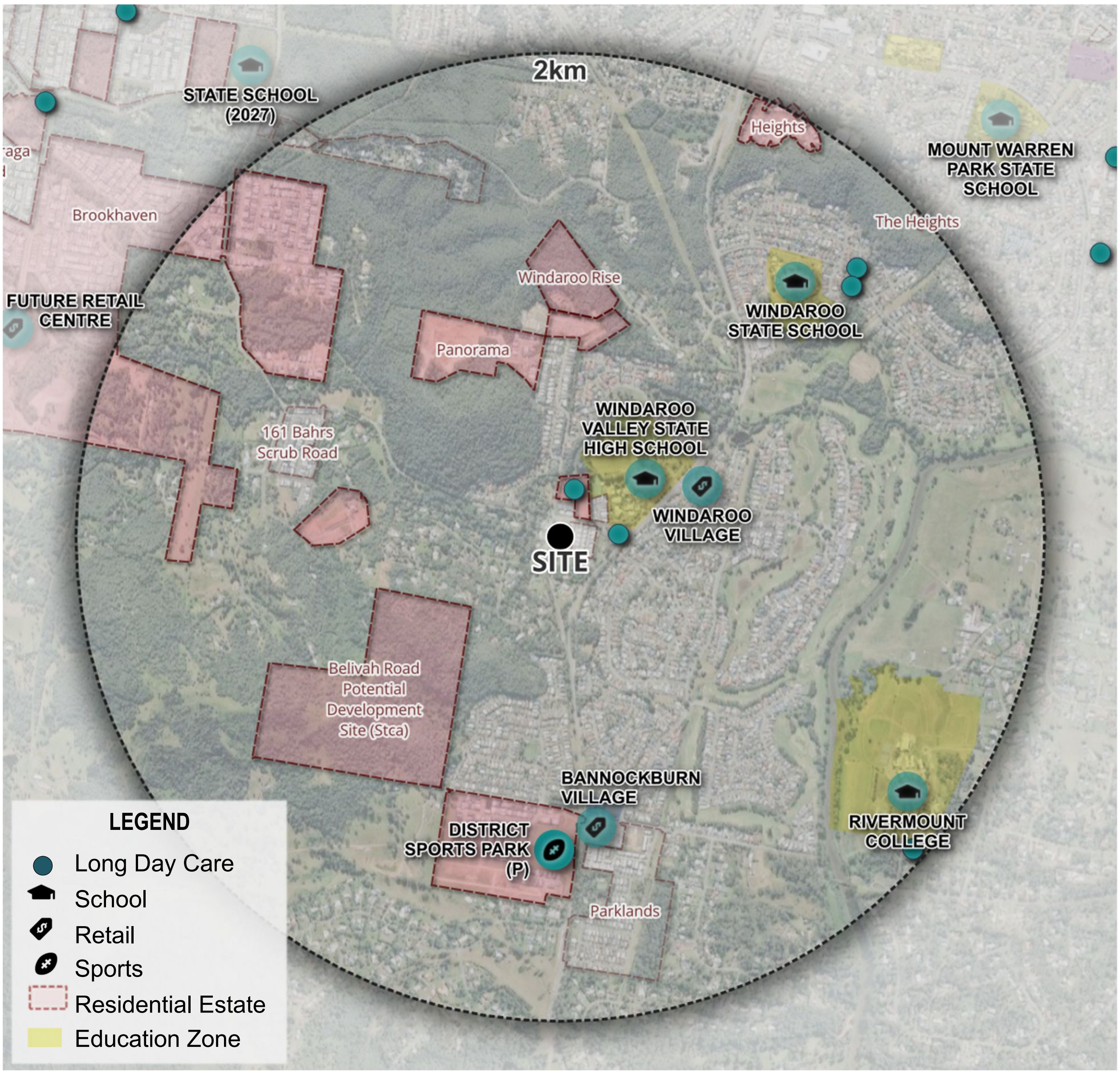
The photo below shows the proposed site at 31 Bahrs Scrub Rd, Bahrs Scrub, and an aerial image of the immediate area.

Some points of interest nearby (within 2km) include:

WINDAROO VILLAGE

WINDAROO STATE SCHOOL

WINDAROO VALLEY STATE HIGH



PLANNING CONTEXT

The subject site is located in the Emerging Community zone under the current Logan Planning Scheme 2015 (LPS 2015) and is earmarked for Emerging Community zoning (Growth Precinct) under the Draft Logan Plan 2025.

The primary intent of the **Emerging Community zone** is to preserve land for *future* urban development while preventing ad-hoc development. However, as development (and structure planning) matures, the intent shifts to creating "contained, sustainable, and functional communities."

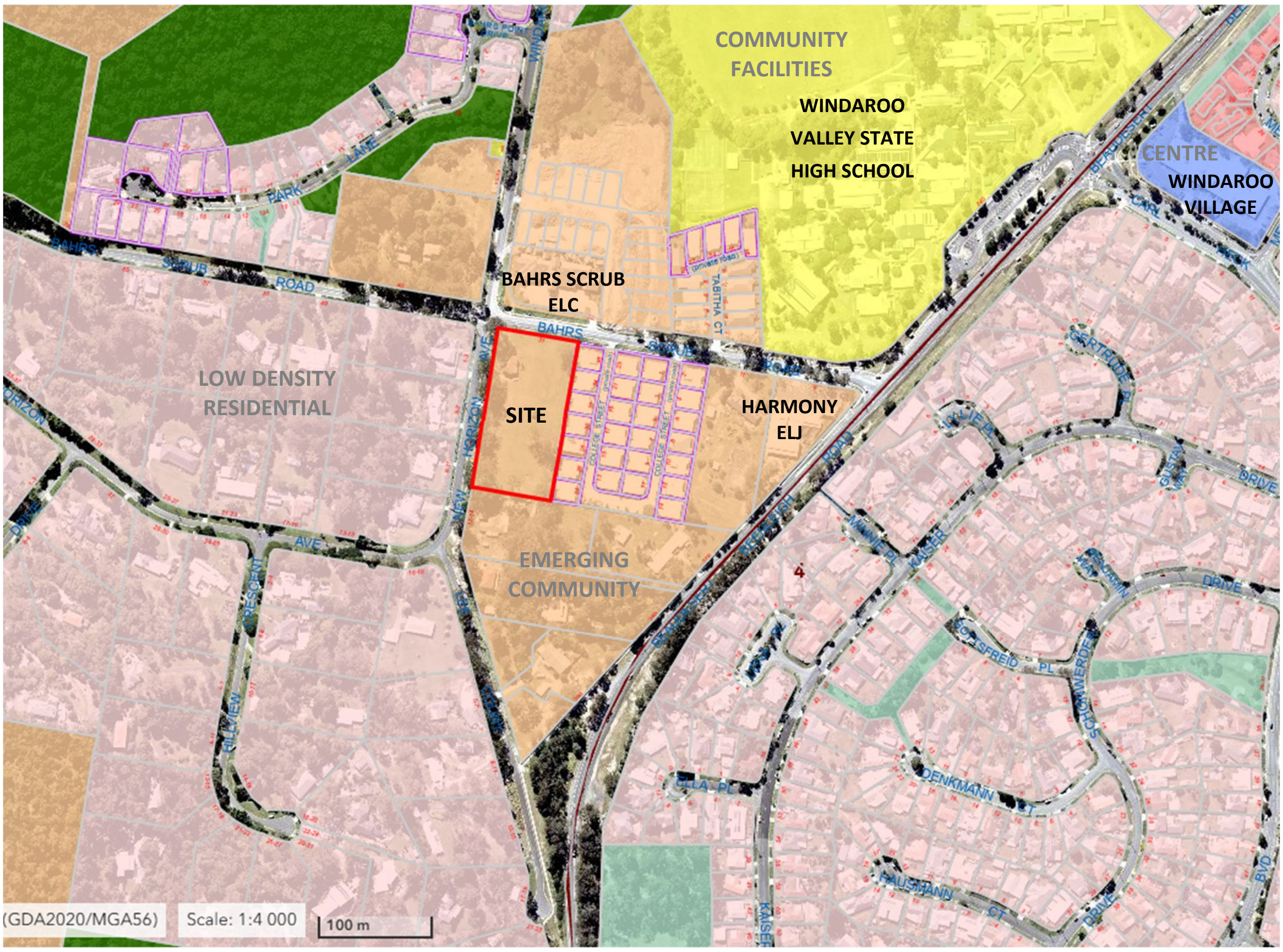
As such, the proposed development is desirable as it provides essential community infrastructure for the new families moving into the area and is strategically located -

- Near a future transport node.
- On a corner of a main connector road.
- In a cluster with other community facilities (existing school and childcare).

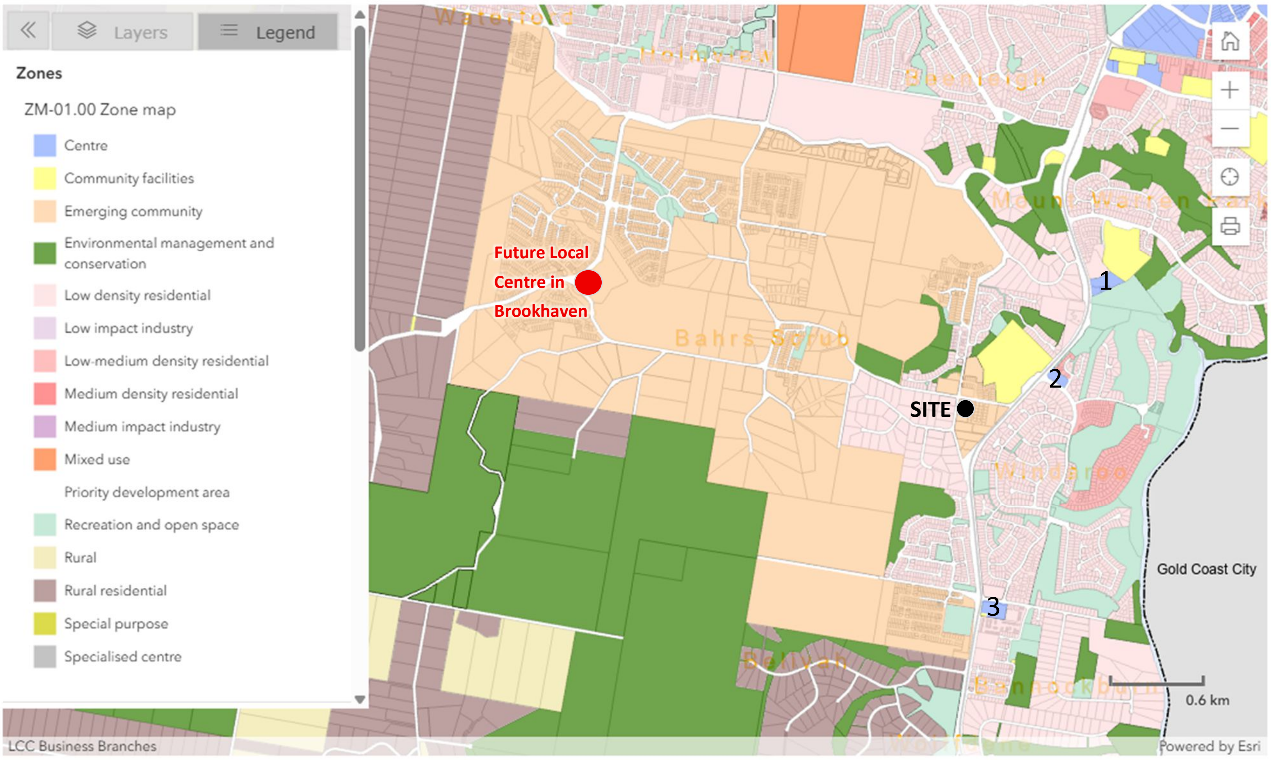
It's also relevant to note that of the existing three (3) long day care centres in Bahrs Scrub, are all located on land in the Emerging Community zone.

It's therefore Business Geographic's view that the proposed childcare centre use (which is an essential community service) is consistent with the overall intent of the planning scheme in that –

- It will support the day-today needs of residents and provide a high-level of amenity to local families;
- It will be similar in scale to other centres in Bahrs Scrub;
- It will not compromise the role or function of other existing (or future) centre-zoned land in Bahrs Scrub.



BAHRS SCRUB ZONING MAP



ALTERNATIVE SITES FOR CHILDCARE (SEQUENTIAL SITE ANALYSIS)

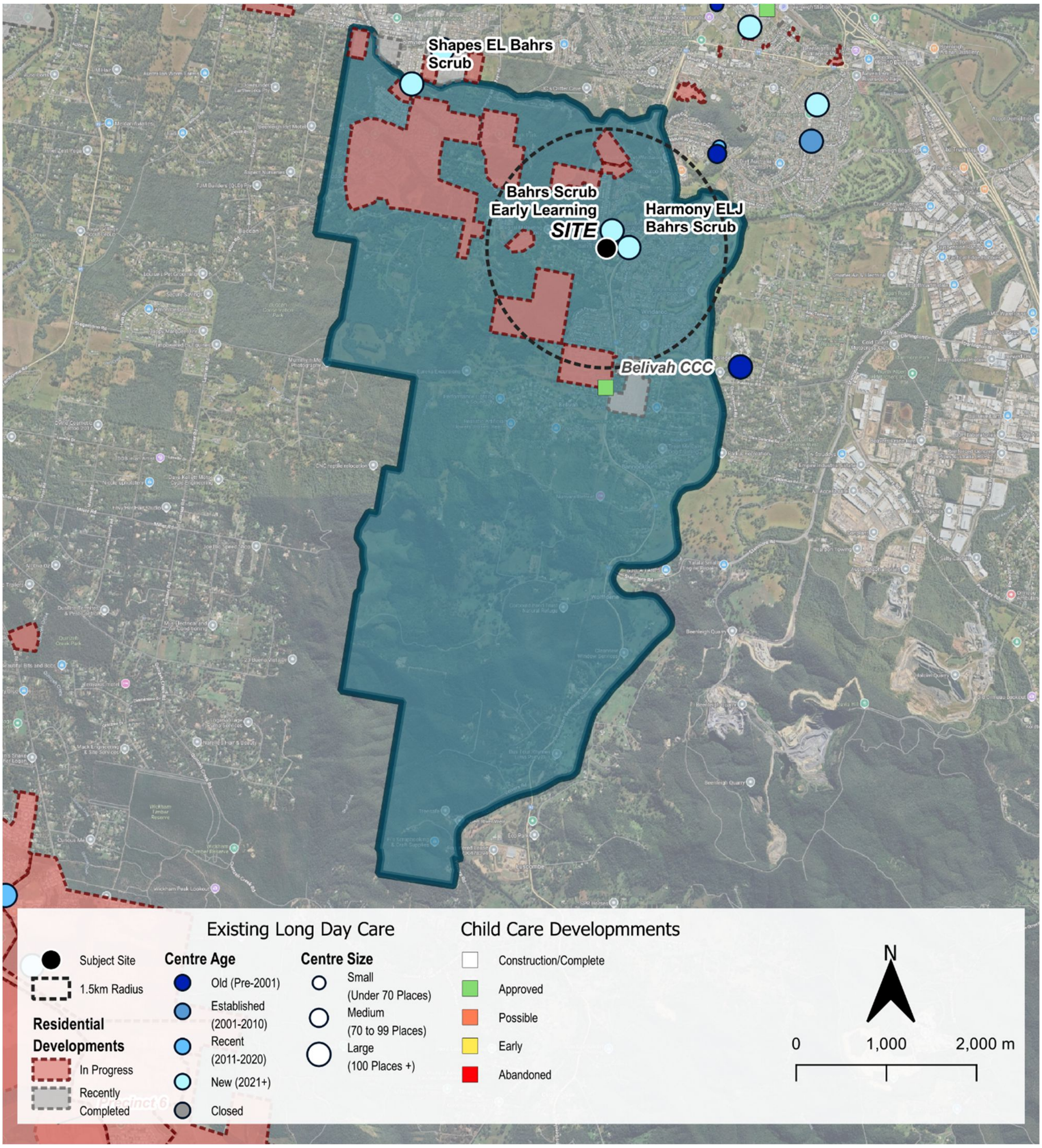
Under the current Logan City Plan, there are 3 existing Local Centres in the local catchment. However, these are currently unavailable to accommodate the proposed use.

	Alternative Site Location	Reason for Exclusion
1.	**Local Centre – 159-163 Beaudesert Beenleigh Rd, Windaroo QLD 4207**	Reason: Fully-developed and unavailable Existing Use: Windaroo Tavern, 7-Eleven Service Station & Car Wash
2.	**Local Centre – 2 Carl Heck Blvd, Windaroo QLD 4207**	Reason: Fully-developed and unavailable Existing Use: Windaroo Village Shopping Centre
3.	**Local Centre – 9 Bannockburn Rd, Bannockburn QLD 4207**	Reason: Fully-developed and unavailable Existing Use: Bannockburn Village Shopping Centre

Note: It's also relevant to note that under the Brookhaven Masterplan there is an allowance for a Local Retail Centre & Townhouse Village at the corner of Bahrs Scrub Road and Menora Road. Whilst it's acknowledged that this Local Centre could accommodate a childcare use in the future, it may also be utilised for other retail/commercial uses. Regardless, it is not currently available for development to meet the immediate needs of the community. Moreover, the development of childcare at the subject site does not prejudice the future development of this Local Centre.

MAP OF LOCAL CATCHMENT AREA

*The local catchment represents the immediate local community that is (or will be) serviced by the subject site. For the purposes of this report, the local catchment comprises the **Wolffdene - Bahrs Scrub SA2**. This represents the area from which the majority of enrolments at the subject site would be expected to originate from and the existing (and future) childcare centres available to them. The extents of a local catchment area are assessed by taking into account a range of factors (described in more detail in Appendix 1). Unless otherwise stated the statistics provided in this report relate to the defined catchment area.*



POPULATION & DEMOGRAPHICS

This section provides an overview of the key demographic characteristics of the local catchment area and includes historic and current population estimates and projections from 2021 to 2031.

The subject site is located in the suburb of Bahrs Scrub in the City of Logan, approximately midway between Brisbane and Gold Coast central business districts, on the lands of the Yuggera and Yugambeh peoples. The local catchment comprises the Wolffdene - Bahrs Scrub SA2 and includes the suburbs of Belivah, Windaroo, Wolffdene and Bannockburn. The area was historically sparsely populated with acreage properties and heavy vegetation but was identified as a Local Development Area, planned to accommodate around 10,000 people. Major development includes the recently completed Brookhaven master-planned community (1,350 dwellings).

Bahrs Scrub is well-located, with easy access to employment in Logan, Brisbane, and the Gold Coast, and has been targeted by large developers for growth. Residents enjoy proximity to key shopping centres and schools, though the locality currently lacks an internal public transport system, meaning trips to train stations or facilities require driving. The surrounding Logan region recorded local jobs growth exceeding population growth from 2020–2024 and is a hotspot for commercial, retail, healthcare, and educational investment. Bahrs Scrub is an area of relative affluence compared to many other parts of Logan City, meaning its economic contribution is based on a higher-skilled, higher-earning workforce.

The Beaudesert–Beenleigh Road runs through the eastern portion of the local catchment area, providing access to the Pacific Motorway (M1). This road also serves as a vital arterial route for daily local traffic, particularly commuters traveling to and from the local catchment. The local catchment area is serviced by a Woolworths in Windaroo (approximately 1.2km from the subject site) and a local medical centre, also in Windaroo (approximately 650m from the subject site). There is only one (1) school in the local catchment area – Windaroo Valley State High School (1204 students in 2024).

The age profile in the local catchment is slightly younger than the Queensland profile, with an average age of 36 (two years under the state average). The catchment has a higher representation of working-age persons aged 25 to 44 years, which represent 30% of the total population. The majority of families include couple families with children (30.82%), with family incomes ($2,170 per week), being higher than the state average ($2,024 per week). Importantly, the female labour participation rate (67.23%), which is strongly correlated with childcare participation, is substantially higher than the state average (58.90%).

The table on the following page highlights some key demographic indicators evident in the local catchment when compared to the state profile. Key findings include –

- **Higher proportion of children under 5 and couple families with children.**
- **Higher individual, household and family incomes.**
- **Lower proportion of persons born overseas.**

The Queensland Government Population Projections, 2023 edition (medium series) prepared by the Queensland Government Statistician's Office (QGSO) demonstrate that forecast population growth in the local catchment is VERY HIGH with the total population forecast to increase by 8.17% p.a. from 2025 to 2031 (net 6,138 persons). The population of children under 5 in the local catchment is forecast to increase at a rate of 6.73% p.a. from 2025 to 2031 (net 355 children).[2] The following table shows population forecasts from 2021 – 2031 by age group in the local catchment.

----- ***POPULATION FORECASTS 2021 – 2031*** -----								
	2021		*2025*		*2031*		*Change (25-31)*	
AGE GROUP	*No.*	*%*	*No.*	*%*	*No.*	*%*	*No. total*	*% per annum*
0-4 years	676	7.50%	754	7.02%	1,109	6.57%	355	6.73%
5-14 years	1,322	14.68%	1,637	15.24%	2,476	14.67%	839	7.32%
15-24 years	1,268	14.08%	1,462	13.61%	2,505	14.84%	1,043	10.20%
25-44 years	2,731	30.32%	3,201	29.81%	4,543	26.91%	1,341	5.99%
45-64 years	2,025	22.48%	2,383	22.19%	3,874	22.95%	1,491	8.94%
65 years and over	986	10.95%	1,303	12.13%	2,371	14.05%	1,069	11.72%
TOTAL	**9,008**	**100.00%**	**10,740**	**100.00%**	**16,878**	**100.00%**	**6,138**	**8.17%**

[2] NOTE: Population forecasts are not targets. They are Business Geographics estimates based on a review of recent population trends, residential development activity and published population projections from the ABS, AIHW and a range of state and local government sources. It is important to recognise that projections reflect the outcome of certain assumptions about the future of fertility, mortality and migration – assumptions which may or may not eventuate. The projections should not be interpreted as precise predictions of the demographic future.

KEY DEMOGRAPHIC INDICATORS

The following table provides a summary demographic profile of the local catchment area (compared to state benchmarks) based on data from the 2021 ABS census of population and housing.

	----- 2021 CENSUS -----			
	LOCAL CATCHMENT		STATE COMPARISON	
	No.	%.	Higher than QLD ▲ Lower than QLD ▼	QLD average
TOTAL PERSONS	9,008	100.00%		
Males	4,408	48.94%	▼	49.27%
Females	4,600	51.06%	▲	50.73%
AGE GROUPS				
0-4 years	676	7.50%	▲	5.67%
5-14 years	1,322	14.68%	▲	13.03%
15-24 years	1,268	14.08%	▲	12.36%
25-44 years	2,731	30.32%	▲	26.95%
45-64 years	2,025	22.48%	▼	25.01%
65 years and over	986	10.95%	▼	16.98%
Median Age	36		▼	38
SELECTED PERSON CHARACTERISTICS				
Performed unpaid childcare (15 years +)	2,314	33.01%	▲	26.54%
Married persons (15 years +)	3,048	43.48%	▼	44.98%
Country of birth - Australia	6,636	73.67%	▲	71.37%
Language spoken at home - English only	7,894	87.63%	▲	80.51%
WEEKLY INCOME (POPULATION AGED 15 YEARS AND OVER)				
Average individual income		$907	▲	$787
Average household income		$2,065	▲	$1,675
Average family income		$2,170	▲	$2,024
LABOUR & SOCIO ECONOMIC STATISTICS (2021 Census)				
Socio-economic Index (IRSAD SEIFA)		995 (decile: 5)		1000 *(AU)*
*Female Labour Participation (%) **		67.23%	▲	58.90%
*Parents w. children 0-14 (Both employed)**	717	62.22%	▲	54.96%
*Pop 0-4 with Employed Mother (% pop)**	383	56.66%	▲	43.62%
FAMILY CHARACTERISTICS				
Total families	2,596	100.00%		100.00%
Couple families without children	946	36.44%	▼	40.32%
Couple families with children	800	30.82%	▲	29.13%
One parent families	433	16.68%	▼	16.83%
Other families	29	1.12%	▼	1.63%
Source: ABS Census (2021) *				
----- **OTHER (NON-CENSUS) STATISTICS** -----				
Unemployment Rate (Dec 2024)	2.00%		▼	3.90%
Fertility Rate (2024)	2.05		▲	1.79

SUPPLY ANALYSIS

This section provides a review of existing long day care facilities in the local catchment area. A table is provided on the following page providing specific details of Licensed Places, Fees and Occupancy at existing centres. This information is sourced from ACECQA and directly from centres and its accuracy is dependent on the knowledge of the person supplying this information.

At present, there are three (3) long day care centres in the local catchment supplying a total of 395 places to an estimated market of 754 children under 5.

Being a relatively newly established area, development of childcare centres commenced when Harmony Early Learning Journey was established in 2020.

Supply has increased by 216.0% since 2021 after the opening of the the 120-place Bahrs Scrub Early Learning (2021) and the 150-place Shapes Early Learning Bahrs Scrub (2025).

The largest market share is held by The Child Care Company Pty Ltd, holding approximately 38% of the supply (150 places).

The catchment averages 132 places per centre, ranging from 120 places at Bahrs Scrub Early Learning to 150 places at Shapes Early Learning Bahrs Scrub.

Daily fees[3] in the local catchment (weighted by places) average $165 per day (or $823 per week for full-time attendance), and comprise a range from $162 at Shapes EL Bahrs Scrub to $168.50 at Harmony ELJ Bahrs Scrub.

Two out of three centres have been already assessed against the National Quality Standard and rated as Working Towards (1) or Meeting (1) the NQS.

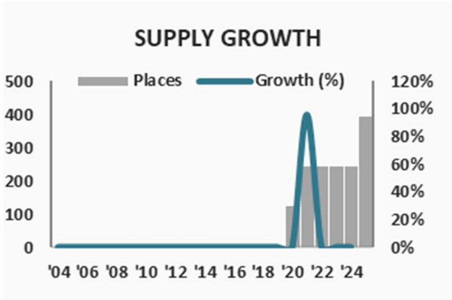
A telephone survey of the centres in the local catchment has revealed that for children over 2:

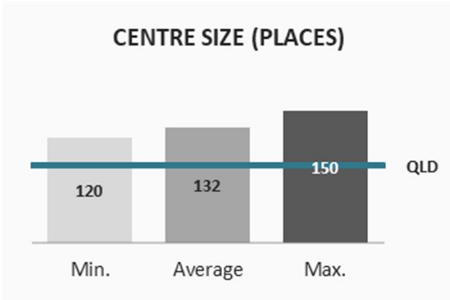
- **Two (2) centres reported VERY LIMITED VACANCIES**
- **One (1) centre reported VACANCIES.**

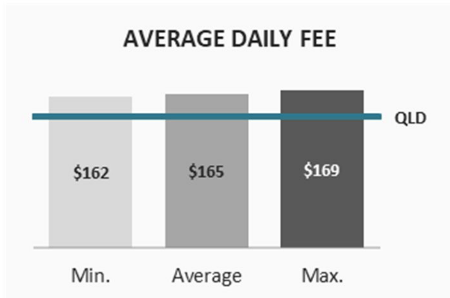
Places were more limited for children under 2, although this is typical in most markets due to higher staffing ratios and fewer places offered. The centre reporting VACANCIES is the new Shapes Early Learning Centre Bahrs Scrub which opened recently (in September 2025) and is still in its 'trade-up' or 'ramp-up' phase. Occupancy at the two (2)) more established centres is much higher and both are reportedly near capacity.

Overall, the average occupancy rate is estimated at 83.54% (and rising). Considering rates of demand growth demand will outstrip supply again within 1 – 2 years unless additional supply is added.

A search for childcare development applications and/or approvals returned only one (1) result for a 140-place cetnre at Belivah, as detailed on page 6[4].







[3] Fees quoted are the full-fee calculated before any child care benefit is applied. Daily Fees are typically higher for babies and younger children and vary depending on specific inclusions offered by centres such as meals and educational programs.
[4] It is unknown if any other applications or approvals exist and interested parties should undertake their own enquiries. Please refer to previous notes regarding Development Applications and/or Approvals.

SUPPLY TABLE – LONG DAY CARE

The following table provides details of existing long day care centres in the local catchment area. This list has been compiled by Business Geographics from a range of sources.[5]

KEY Ⓐ = ESTABLISHED SINCE 2021 **INCLUSIONS PROVIDED =** Lunch Snacks Nappies

----- CENTRES IN CATCHMENT -----

DETAILS	PROVIDER & DATE ESTABLISHED	LICENSED PLACES	VACANCIES	FEE SCHEDULE PER DAY	FEE SCHEDULE PER WEEK	INCLUSIONS, OPERATING HOURS & QUALITY RATING
Harmony Early Learning Journey Bahrs Scrub 5 Bahrs Scrub Road BAHRS SCRUB 4207 (07) 3606 0226	**Harmony Bahrs Scrub Pty Ltd** Since 2022 Est. 2020	125	V. Limited <2 V. Limited >2	$168.50	$842.50	6:30AM to 6:30PM Meeting NQS
Bahrs Scrub Early Learning 32 BAHRS SCRUB ROAD BAHRS SCRUB 4207 (07) 3014 8881	**Bahrs Scrub Early Learning Pty Ltd ATF ELC Unit Trust** Since 2025 Est. 2021	120	None <2 V. Limited >2	$163.90	$819.50	6:30AM to 6:30PM Working Towards NQS
Shapes Early Learning Bahrs Scrub 335 Wuraga Rd BAHRS SCRUB 4207 (07) 2102 4122	**The Child Care Company Pty Ltd** Est. 2025	150	Vacancies <2 Vacancies >2 (In 'trade-up' phase)	$162.00	$810.00	6:00AM to 6:00PM Provisional - Not Yet Assessed
TOTAL/AVERAGES		**395**		**$165**	**$823**	

[5] Information provided in the Supply Tables has been collated from state and federal government childcare information registers, Business Geographics databases and telephone surveys of the listed centres. In particular, the Vacancy Rates and Fees provided are dependent on information supplied to us to by staff at the centres (or online sources) and therefore should not be interpreted as conclusive. They represent the information supplied at a given point in time and their accuracy is subject to the interpretation of the relevant staff member or accuracy of the website and are subject to change. Due to staffing shortages across Australia some centres may be capping enrolments which restricts availability and may artificially inflate reported occupancy.

SUPPLY TABLE – CENTRES NEARBY

KEY Ⓐ = ESTABLISHED SINCE 2021 **INCLUSIONS PROVIDED =** Lunch Snacks Nappies

The following centres are outside the local catchment and are included to give some context to the broader market.

----- *CENTRES NEARBY* -----						
DETAILS	PROVIDER & DATE ESTABLISHED	LICENSED PLACES	VACANCIES	FEE SCHEDULE PER DAY	FEE SCHEDULE PER WEEK	INCLUSIONS, OPERATING HOURS & QUALITY RATING
Goodstart Early Learning Mount Warren Park - Mount Warren Boulevard 282 Mt Warren Bvd MOUNT WARREN PARK 4207 (07) 3807 8177	**Goodstart Early Learning Ltd** Since 2010 Est. 1995	75	Limited 15m-2yrs Limited >2	$146.16 - $152.95	$730.80 - $764.75	7:00AM to 6:00PM Meeting NQS
The Boulevard Early Learning Centre Windaroo 277-279 Mt Warren Blvd MOUNT WARREN PARK 4207 (07) 3807 5671	**Gold Child Care Pty Ltd** Est. 2011	44	None <2 Limited >2	$145.00	$725.00	6:30AM to 6:30PM Meeting NQS
Little Scholars School of Early Learning Yatala 15 Rivermount Dr YATALA 4207 (07) 3287 4466	**The Scholars Group Pty Ltd** Since 2015 Est. 1998	133	V. Limited <2 Limited >2	$154.00 - $160.50	$770.00 - $802.50	7:00AM to 6:00PM Meeting NQS
Imagine Child Care and Kindergarten Holmview 245 Tallagandra Road HOLMVIEW 4207 QLD (07) 2802 2010	**Imagine Education Early Learning Centres No. 21 Pty Ltd ATF Imagine Education Early Learning Centres No. 21 Unit Trust** Est. 2022	136	Limited <2 Vacancies (4 days) >2	$157.00	$785.00	6:30AM to 6:30PM Meeting NQS
TOTAL/AVERAGES		**388**		**$154**	**$771**	

KINDERGARTEN SUPPLY & DEMAND

This section provides a review of other centre-based childcare in the local catchment (i.e. kindergarten and preschool services).

Kindergarten, known as kindy, is a part-time educational program for children in the year before Prep. Kindy is 15 hours per week, 40 weeks per year and is free for Queensland children attending a government-approved kindergarten program from 1 January 2024. Kindergarten programs are offered in both long day care services and sessional kindergarten services. Sessional kindergartens operate during school hours each school term, whereas long day care services can provide a kindergarten program as part of their extended hours of care.

Due to the limited age group and hours offered by sessional kindergarten programs, they do not suit most working families who require extended hours of care. For this reason, they are not considered to be an alternative to long day care and service a separate market. Indeed, the majority of children attend kindergarten programs within a long day care environment.

According to data on Kindergarten Enrolments from the Department of Education, in 2023 approx. 68.9% of kindergarten enrolments were at Long Day Care centres.

Service Type	3 Years	4 Years	5 Years[3]	Total
2023				
Kindergarten Service	981	15,332	2,566	**18,879**
Long Day Care / LHC / OC[1]	4,316	38,926	3,840	**47,082**
State Delivered EC Services[2]	2	2,353	49	**2,404**
Total	**5,299**	**56,611**	**6,455**	**68,365**

KINDERGARTEN SUPPLY

It's relevant to note that there are NO (0) stand-alone sessional kindergarten services in Bahrs Scrub. This means that in order to access kindergarten, children will either need to attend an approved kindergarten program offered within a long day care centre or travel out of the local community to access a kindergarten service located elsewhere.

Whilst not a part of the demand calculations in this report, it's relevant to note that the lack of kindergarten services has the potential to increase the demand for long day are services (that offer kindergarten programs) in Bahrs Scrub.

KINDERGARTEN DEMAND

As of 2023, there were 45 children (aged 4 and 5) in the Wolffdene - Bahrs Scrub SA2 enrolled in a kindergarten (preschool). With no kindergarten service in the local catchment, these children are travelling elsewhere to access dedicated kindergarten services. Preschool enrolments increased by 60% over the 5 years from 2016 – 2023 (despite their being no local preschool option).

Children enrolled in a preschool or preschool program (4 and 5 year olds)

Description	2018	2019	2020	2021	2022	2023
4 year olds enrolled in preschool or preschool program (no.)	76	90	99	103	114	157
5 year olds enrolled in preschool or preschool program (no.)	6	10	20	14	26	18
Children enrolled in preschool (no.)	28	28	32	34	33	45
Children enrolled in preschool program within centre based day care (no.)	54	66	87	74	103	117
Children enrolled across more than one provider type (no.)	----	4	4	9	4	14
Children enrolled in a preschool or preschool program (no.)	90	101	117	120	141	171

Source: https://dbr.abs.gov.au/region.html?lyr=sa2&rgn=301021013 (ABS Data by Region)

DEMAND ANALYSIS

This section provides an overview of demand for childcare in the local catchment from various sources.

RESIDENT DEMAND (UNDER 5)

The majority of long day care demand in Bahrs Scrub is from resident children aged under 5. As of 2025, the total number of children under 5 in the local catchment is estimated to be **754** persons. This is Business Geographic's estimate based on annual growth since the 2021 census as reported by the ABS in its regional population releases, recent building approvals and residential lot registrations, the residential development pipeline and QGSO population projections.

The average daily demand for long day care for these children can be calculated by multiplying the number of children under 5 (754) by the local Participation Rate (65%) and the Attendance Rate (65%) (i.e. A little over 3 days per week). This works out to an average daily demand of **319** places per day in 2025.

RESIDENT DEMAND (5-YEAR OLDS)

Consideration should also be given to demand from 5-year olds that attend Long Day Care. Most children start formal schooling the year they turn 5, however there are a small number of 5 year olds that attend long day care.

According to data for 2024 from the QLD ECEC Services census (Source: ECEC Service enrolments (All Children), 2020 – 24 by Service Type by Age Group, 2020-24), in 2024 there were 13 five year olds enrolled in long day care in the Wolffdene - Bahrs Scrub SA2. Based on recent growth trends, this would be expected to be approx. 17 five year olds in 2025. If we apply, a 65% attendance rate to this enrolment figure, it represents an average daily demand of **11** places per day in 2025.

TABLE - ECEC Services enrolments (All Children), 2020-2024 (January 2025)

SA2 Name Wolffdene - Bahrs Scrub

Sum of Enrolled Survey Year	Service Type	Age 0-2 Years	3-4 Years	5+ Years	Grand Total
2021	Long Day Care / LHC / OC	83	50	-	133
2022	Long Day Care / LHC / OC	216	148	9	373
2023	Long Day Care / LHC / OC	186	137	8	331
2024	Long Day Care / LHC / OC	177	167	13	357
Change from 2021 to 2024		**+94 (+113%)**	**+117(+234%)**	**+13**	**+224 (+168%)**

Note: 2024 data prior to the opening of Shapes ELC in 2025. 357 enrolments at 65% Attendance Rate equals demand for 232 places per day (on average) when there was only 245 places available – indicating an occupancy of 94.7% in 2024.

KINDERGARTEN DEMAND (EXCLUDED)

Kindergarten typically accounts for approx. 9% of all childcare enrolments (pre-school-aged) in Queensland (Excluding OSHC) – (Source: ECEC Service enrolments (All Children), 2020 – 24 by Service Type by Age Group, 2020-24

As noted on the previous page there are no (0) stand-alone kindergarten services in the local catchment. The lack of dedicated kindergarten services would be expected to increase demand for approved kindergarten services delivered in a long day care environment – particularly following the introduction of free kindy at the beginning of 2024.

Business Geographics has taken a conservative approach and not included additional kindergarten demand in our demand calculations however the lack of a local kindergarten option should be considered when assessing the need for additional childcare in Bahrs Scrub.

DEMAND TABLE

The following table details the estimated demand for long day care from the population of children aged under 5 based on state benchmarks for participation and attendance and the specific socio-demographic characteristics of the local catchment area.

The average daily demand for long day care originating in the local catchment is estimated at 330 places per day in 2025. This has been estimated based on a local Long Day Care Participation Rate of 65% (above the state average) for children under 5 plus and an Attendance Rate of 65%.

Demand from children under 5 is forecast to increase by an additional 150 – 186 places per day by 2031. This represents a 47% - 58% increase in demand over this 6-year period. It's relevant to note that in the 3 years from 2021 to 2024, long day care enrolments increased by 168%.

An additional allowance has been made for demand from 5-year-olds. This is estimated at 11 places per day in 2025 and is expected to double to 22 places per day by 2031.

Demand Outflows – Prior to this year (when the 150-place Shapes Early Learning centre opened), Bahrs Scrub was undersupplied and there was a significant demand outflow. With limited local childcare options and availability, a significant proportion of locally generated demand was either directed elsewhere (such as to centres in neighbouring suburbs) or was simply unrealised (with new parents deferring a return to work, making informal childcare arrangements, or going without). These outflows have been largely addressed by new supply however with strong demand growth forecast, will re-emerge until new supply is added.

Overall, **Net Daily Demand** is forecast to range between 491 and 527 places by 2031. This represents an increase of 161 – 197 places or a 47% - 58% increase on 2025 levels.

------- HISTORIC, CURRENT & FORECAST DEMAND FOR LONG DAY CARE -------

	2021		*2025*		*2031*				*Change (2025-31)*	
	(actual)		*(estimate)*		*(low forecast)*		*(high forecast)*		*(low – high)*	
	No.	*%*	*No.*	*%*	*No.*	*%*	*No.*	*%*	*No. total*	*% p.a.*
Total Population	9,008	100%	10,740	100%	16,878	100%	16,878	100%	6,138	8.17%
Children Aged 0 - 4	676	7.50%	754	7.02%	1,109	6.57%	1,109	6.57%	355	6.73%
Participation Rate *	60%		65%		65%		70%		-	-
Children Attending Long Day Care	406		490		721		777		231 - 286	7.86% - 9.74%
Attendance Rate #	65%		65%		65%		65%		-	-
Resident Daily Demand (Under 5)	264		319		469		505		150 - 186	7.86% - 9.74%
Uplift for 5 year olds	+0		+11		+22		+22		+11	16.7%
Demand Outflows	-150		0		0		0		-	-
Net Daily Demand (Serviced Locally)	114		330		491		527		161 - 197	8.1% - 9.9%

*Estimated Participation Rate – The participation rate is the number of children aged under 5 that attend long day care and is based on state benchmarks adjusted for local conditions. The figure used for the local catchment is above this average.

Attendance Rate – Data from the Office of Early Childhood Education & Child Care shows that the average time that a child spends in long day care is approx. 31 hours per week. Nationally, this rate of attendance has also increased slightly in recent years. For the purposes of this report, the local attendance rate is 65%.

Source: ABS, State & Local Government Population Forecasts & estimates calculated by Business Geographics.

ECONOMIC NEED & IMPACTS

This section provides an assessment of the Economic impacts of the proposed development.

It's Business Geographic's view that there is an economic need for the proposed development to the extent that the current supply of childcare places is insufficient to meet the current and forecast demand for childcare. Additionally, demand is influenced by -

- A relative undersupply of other forms of childcare (e.g. no stand-alone kindergartens in the local area); and
- An anticipated increase in demand due to upcoming changes to childcare subsidy eligibility.

From January 2026, all families will be eligible for at least 72 hours of subsidised ECEC per fortnight (3 days per week), regardless of their activity levels.

Families can still get 100 hours of subsidised ECEC per fortnight if they meet activity requirements or have a valid exemption. Families caring for a First Nations child will be eligible for 100 hours of subsidised ECEC per fortnight.

The 3 Day Guarantee will support universal access to ECEC and help ensure more children are school-ready. It will also provide targeted cost-of-living relief to families.

The Productivity Commission's final report, A path to universal early childhood education and care (released September 2024), was clear that the children and families most likely to benefit from ECEC are the least likely to attend. In its first full financial year the 3 Day Guarantee is expected to benefit around 66,700 families, and more than 100,000 families will be eligible for additional hours of subsidised care.

These changes will remove significant economic disincentives for new parents to access childcare or increase their hours of use. Indeed, modelling by the Productivity Commission shows that *"**these reforms would increase demand for ECEC by 10%, primarily from children in low- and middle-income families who are currently not attending services. Parents' labour force participation would be expected to rise, as services become more inclusive, available and responsive to families' needs**".*

(Source: https://www.pc.gov.au/inquiries/completed/childhood/report#media-release)

Applied to the local catchment, this is consistent with Business Geographic's 'high' forecast scenario. The proposed centre at the subject site will help to support increasing demand from these changes.

DIRECT & INDIRECT ECONOMIC IMPACTS

The proposed development will contribute direct economic benefits to the community by adding employment during the construction phase and on an ongoing basis once operational.

Based on ABS input/output multipliers from the National Accounts, the project will directly contribute approx. 4 construction jobs per $1 million of construction costs for a period of 1 year. Further jobs would be created in the community due to employment multiplier effects (suppliers and beneficiaries of increased discretionary spend).

Based on the proposed size of the centre (118 places) and staffing ratios for childcare, it's estimated the centre will directly contribute up to 16-18 on-going jobs once operational. Additional jobs would also be created in the community from the supplier-induced multiplier effects as a result of the on-going operation of the childcare facility. This is estimated at 16-18 jobs including both full-time and part-time positions.

The availability of an additional local childcare option would also be expected to increase labour force participation (particularly for new parents) and thereby deliver flow-on economic benefits to other businesses in the community from an increase in family incomes.

ECONOMIC, COMMUNITY & PLANNING NEED

The following section summarises the economic, community and planning need for the proposed development.

ECONOMIC NEED

It's Business Geographic's view that there is a demonstrable economic need for the proposed development considering –

- There is currently very limited childcare availability in the local catchment and with population growth forecast to continue, demand will only increase further in coming years.
- There is sufficient existing unmet demand and forecast demand growth to support the proposed development (at 118 places) in addition to the existing approved centre (140 places) at Belivah within the next 5 – 6 years. The development of the subject site would not be expected to negatively impact the viability or long-term sustainability of the existing (and future) childcare supply network and centres should be able to maintain viable levels of occupancy.
- The proposed development will further improve local childcare choice, availability and amenity and attract families to the area.
- It will also help to increase labour force participation (and thereby deliver flow-on economic benefits to other businesses in the community from an increase in family incomes) by activating unmet demand that remains unrealised due to the limited local childcare availability.
- The proposed development will also contribute direct economic benefits to the community by adding employment during the construction phase and on an ongoing basis once operational.

COMMUNITY NEED

It's Business Geographic's view that the proposed development will deliver significant benefits to the community considering –

- Families have diverse childcare needs and preferences and need access to a variety of convenient and accessible childcare options in their local community. The proposed development offers a high-quality integrated early learning environment with large outdoor play areas.
- The location will cater to the growing residential community in Bahrs Scrub and its location next door to existing community facilities (school/childcare) is ideal.
- The additional childcare will also help meet a need for additional approved kindergarten places given the lack of a dedicated kindergarten service in the local catchment.
- The proposed development will significantly enhance the amenity of Bahrs Scrub for families and has the potential to strengthen community connections in this emerging community.

PLANNING NEED

It's Business Geographic's view that the proposed childcare centre use complies with the overall intent of the Logan City planning scheme considering –

- It is of anappropriate scale (118 places); will contribute a high-level of amenity to local families; is located in an appropriate and accessible location, and will not compromise the role or function of other centre-zoned land in Bahrs Scrub.
- There is inadequate provision under the current (and draft) Logan City Plan to accommodate for additional childcare on other appropriately-zoned (centre) locations (of which there are only three which are unavailable for this use).
- Whilst it's acknowledged there is an allowance for a Local Retail Centre & Townhouse Village in the Brookhaven Masterplan (which could accommodate a childcare use in the future), it may also be utilised for other retail/commercial uses. Regardless, it is not currently available for development to meet the immediate needs of the community, and the development of childcare at the subject site does not prejudice the future development of this Local Centre.

NEEDS ASSESSMENT – LONG DAY CARE

This section provides an assessment of whether there is any unmet demand (undersupply) or oversupply of long day care services within the local catchment area.

SUMMARY

At present, there are three (3) long day care centres in the local catchment supplying a total of 395 places to an estimated market of 754 children under 5. This represents a ratio of 1.91 children per childcare place, which is on par with the Queensland average of 1.9 children per place.

The average occupancy rate is currently estimated at 83.54% - however this is in the context of the recent opening of the 150-place Shapes Early Learning Bahrs Scrub (in September 2025). This centre has a lower occupancy (as it is still in its 'trade-up' phase) compared to the two (2) more established centres which are both reportedly near capacity. Indeed, prior to the opening of Shapes Early Learning, Bahrs Scrub was UNDERSUPPLIED with a significant latent unmet need.

Further residential development and population growth will continue to increase demand such that demand will soon outstrip supply again unless additional supply is added. Currently, there is only one (1) approved childcare development in the local catchment area which is not sufficient to adequately service thye forecast demand to 2031.

PROPOSED DEVELOPMENT

The proposed development is ideally located on the corner of a main connector road (Bahrs Scrub Road) and within 250m of Beuadesert-Beenleigh Road, a major commuting corridor and arterial road that bisects the local catchment area providing connection to the Pacific Motorway (M1). It is surrounded by developing residential areas amidst a cluster of community facilities including Windaroo Valley State High School and two (2) childcare centres.

SUPPLY

Prior to the opening of the 150-place Shapes Early Learning Bahrs Scrub (in September 2025), the local market was UNDERSUPPLIED. Occupancy was around 95% in 2024 at the two (2) established centres (based on ECEC enrolment data) and was 100% earlier in 2025. Despite the opening of the new centre, occupancy has remained high at the two (2) established centres in Bahrs Scrub and the new centre has instead improved local childcare self-containment – retaining and activating demand (particularly in the Brookhaven estate) that was previously directed elsewhere or simply unrealised.

DEMAND

Demand for long day care in Bahrs Scrub has grown rapidly in recent years. According to ECEC enrolment data from the Queensland Department of Education, long day care enrolments increased by 168% (224 enrolments) in the 3 years from 2021 to 2024.

The catchment continues to have a positive outlook in terms of demand growth. The population of children under 5 in the local catchment is forecast to increase at a rate of 6.73% p.a. from 2025 to 2031 (net 355 children) and at current forecasts, it's estimated that total demand (including 5-year-olds) will increase by an additional 161 - 197 places by 2031 - a 47% - 58% increase on 2025 levels.

Importantly, the high forecast (which assumes an increase in the childcare participation rate) represents the 'most-likely' scenario in Business Geographic's view given recent trends in childcare participation in Queensland (which has been increasing by approx. 1 percentage point per annum over the last 5-6 years); planned increases to childcare subsidies (which will increase childcare participation further in the future); and the Queensland Government's new kindy funding model (which includes new targeted subsidies for families attending both long day care and community kindy to reduce out-of-pocket costs).

NEED FOR ADDITIONAL PLACES

At current forecasts, it's therefore estimated the local catchment could support an additional 255 - 300 places to 2031. An increase in supply of this order would be supportable and sustainable without having significant negative impacts on the existing (or future) supply network.

NEEDS ASSESSMENT TABLE

------- *NEEDS ASSESSMENT TABLE* -------						
	2021#	2025	2031*		Change (2025-31)	
	(actual)	(estimate)	(low forecast)	(high forecast)	(low – high)	
	No. %	No. %	No. %	No. %	No.	%
Estimated Daily Demand for LDC	114	330	491	527	161 - 197	48.8% - 59.7%
Estimated Daily Supply of LDC	125	395	650	695	255 - 300	64.6% - 75.9%
Ratio of Children per Place	5.41	1.91	1.71	1.60		
Average Estimated Occupancy Rate**	91.20%	83.54%	75.54%	75.83%		
Needs Assessment	**SUPPLY RESTRICTION**	**SUPPLY RESTRICTION**	**BALANCED**	**BALANCED**		

**2028 - This allows for population change to 2031 and assumes an increase in the supply of places by 255 - 300 places.*

*** Average Estimated Occupancy Rate across the entire Catchment. Average Occupancy Rates over 85% indicate some supply restriction, whilst rates below 75% suggest some oversupply. 80% is considered to be balanced.*

#Supply estimates prior to the opening of the 150-place Shapes Early Learning Bahrs Scrub (2025) and the opening of the 120-place Bahrs Scrub Early Learning (2021).

**NOTE: It's relevant to note that average occupancy rates of 70% - 80% are typically considered to be consistent with a balanced market in which centres operate profitably and there is sufficient choice and availability for consumers. Industry research indicates that most centres are viable at an occupancy of 60% - 70% and occupancy above 70% is profitable. Occupancy rates between 70% - 80% represent the best outcome for both operators and consumers as it means that businesses are profitable and consumers have choice and flexibility. In this market, a target occupancy of 75% is considered appropriate and represents a healthy market for consumers and providers.*

SUPPLY AND DEMAND IMPACTS

The following table models the impacts of the proposed supply increases on overall occupancy to 2031. Importantly, without the subject site the benefits of the new supply at Belivah are short-lived and the market returns to an UNDERSUPPLY by 2028/29. With the addition of the subject site (in 2028) average occupancy rates would not be expected to drop below 70% ***(*See Notes on following page).***

Assumptions –

- *The 'high forecast' demand scenario has been adopted considering the additional supply (and therefore availability) proposed.*
- *2026 - demand allows for changes to childcare subsidy eligibility which will increase childcare participation, supply is unchanged.*
- *2027 – demand increases in response to additional supply (+140 places at Belivah CCC)*
- *2028 - Addition of 118 places at the subject site*
- *2029 – 2031 – No changes to supply and more moderate demand growth.*

Year	2025	2026	2027	2028	2029	2030	2031
Forecast Demand	**330**	**380**	**420**	**460**	**490**	**515**	**527**
Supply without Site	**395**	**395**	**535**	**535**	**535**	**535**	**535**
Forecast Occupancy	**83.5%**	**96.2%**	**78.5%**	**86%**	**91.6%**	**96.3%**	**98.5%**
Supply with Site	**395**	**395**	**535**	**653**	**653**	**653**	**653**
Forecast Occupancy	**83.5%**	**96.2%**	**78.5%**	**70.4%**	**75.0%**	**78.9%**	**80.7%**

SUPPLY AND DEMAND IMPACTS (CONTINUED)

As noted, the addition of the subject site in 2028, is expected to result briefly in a 70.4% average occupancy rate – which quickly recovers to 75% in 12 months.

It's relevant to note that in the judgement for *Wu & Kuo Childcare Pty Ltd & Anor v Brisbane City Council & Anor [2022] QPEC 27* in the Planning and Environment Court (delivered on 4 August 2022), Williamson QC DCJ notes in Paragraph 62 that with regards to average occupancy –

"(a) a range of 70% to 80% represents a catchment level occupancy rate that strikes a balance between choice for parents; availability of places; and centre viability for providers to meet service quality obligations;"

He goes on to state in paragraph 71 of his judgement that -

"I am satisfied a catchment occupancy rate of 71% is acceptable. It bespeaks a resulting market that will serve the community well. Indeed, it suggests an approval, if granted and acted upon, would be unlikely to lead to a circumstance where the public is worse off…"

The forecast occupancy is consistent with this finding.

CHILDCARE DEVELOPMENT PIPELINE

A limited online search has been conducted for childcare development applications and/or approvals within the local catchment, returning only one (1) relevant result

- Belivah CCC (140 places) located at 422 Beaudesert-Beenleigh Road, Belivah.

This development was approved in November 2024 and has recently had a construction certificate approved (September 2025), which indicates that construction of this centre is proceeding as planned. However, despite the construction of this centre, there will still be a shortfall of between 115 – 160 places in the local area unless additional supply (such as that proposed at the subject site) is added.

CONCLUSION

Childcare is an important form of early learning and education and access to childcare increases opportunities for new parents to engage in the workplace. To support families to contribute economic benefits to the local community, they need access to a variety of convenient and accessible childcare options in their local community.

It's Business Geographic's view that the local community would benefit from the development of the subject site. It represents a reasonable and appropriate location for a childcare centre, is of an appropriate size and scale, and would support the day-to-day needs of the local community. The proposed development will not compromise the amenity and character of the local neighbourhood, nor will it have any adverse impacts on the existing network of centres.

The proposed development would also not compromise the development of a future neighbourhood centre in the Brookhaven Masterplan as demand will continue to increase in Bahrs Scrub beyond the forecast horizon of 2031. Overall, the proposed increase in places would be expected to deliver a net benefit to the local community. It would -

- Help to alleviate the existing supply restriction in the local catchment;
- Increase choice, availability and accessibility to childcare for local families;
- Improve facilities and amenity for families, children and educators;
- Help to support the anticipated increase in demand due to population growth and upcoming changes in childcare subsidy eligibility.

APPENDIX 1 - REPORT BENCHMARKS & TRENDS

This report relies on some statistical benchmarks and assumptions derived from the latest ***Report on Government Services prepared by the Productivity Commission (Volume B Chapter 3 Early Education & Care) and Early Childhood data and reports from the Department of Education.***

PARTICIPATION RATE

In 2025, the estimated national long day care participation rate is 52% for children aged under 5. That is 52% of children aged under 5 are enrolled in long day care.

The participation rate varies by age with only 11% of children under 1 enrolled at Long Day Care, 51% aged 1 and 62% - 68% aged 2 – 4. A small number of children aged 5 (approx. 8% – 10%) attend long day care. These children are generally excluded for the purposes of this report as most children of this age have already commenced formal schooling. However, in some instances an 'uplift' is provided for additional 5-year-old demand where appropriate.

The participation rate benchmarks also vary significantly by state (and region) and are further influenced by local supply and demand side factors such as the availability of appropriate childcare and the female labour force participation rate*. These factors are taken into account in the report to provide the local 'adjusted' participation rate.

It's worth noting that statistical analysis conducted by Business Geographics has identified a strong correlation between the long day care participation rate and the Female Labour Force Participation Rate (FLFPR) such that the FLFPR serves as a useful proxy for estimating the long day care participation rate in specific markets. Indeed, for every 1% change in the FLFPR, a 1% change in the long day care participation rate has been observed.

The long day care participation rate has also been increasing steadily in Australia hand-in-hand with an increasing female labour force participation rate and increasing childcare supply and availability. Since 2021 (and since at least 2018 following the introduction of the CCS scheme), it's estimated that the long day care participation rate has increased by approx. 1 percentage point per annum. Enhancements to CCS eligibility in 2023 (and additional funding for kindergarten in most states) and increased childcare supply overall continues to have a noticeable impact on participation. That said, participation rates in Tasmania appear to have stalled.

State and National Benchmarks - Long Day Care Participation Rate for children under 5

Participation Rate (PR)	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	AUS
2025 Estimate	53%	50%	56%	44%	48%	47%	62%	40%	52%
Change since 2021	+3%	+5%	+4%	+4%	+2%	0%	+1%	+2%	+3%

**Long day care participation rates are typically higher in metropolitan markets compared to regional areas. The availability of alternative forms of childcare (eg kindergarten/preschool) will also influence local long day care participation rates. The female labour force participation rate is closely correlated with childcare participation.*

ATTENDANCE RATE

The average hours of attendance for children at long day care in 2025 is estimated at 33.5 hours (Based on the average weekly hours of CCS recipients from Department of Education administrative data). For the purposes of this report, this is estimated as an Attendance Rate of 65% of full-time attendance nationally (a little over 3 days per week).

Attendance varies slightly by state and ranges from 27.2 hours (or 55%) in Tasmania to 38.8 hours per week (or 75%) in the NT.

It's also worth noting that attendance is not consistent throughout the year as children tend to enter and leave care at different points of the year, depending on the family's circumstances. The number of children that use long day care across a given year is therefore greater than the number using care at any point in time.

Hours of attendance at long day care have also increased in recent years with an increase of 2.1 hours per week since 2021.

State and National Attendance Benchmarks – Attendance Rate at Long Day Care

Attendance Rate	NSW	VIC	QLD	WA	SA	TAS	NT	ACT	AUS
Hours Attended 2025	33.3	33.6	36.0	30.3	30.0	27.2	38.8	34.4	33.5
Change since 2021	+1.8	+2.0	+2.6	+2.1	+2.2	+1.7	+1.2	+1.8	+2.1
Attendance Rate	65%	65%	70%	60%	60%	55%	75%	70%	65%

RATIO OF CHILDREN PER PLACE

The Ratio of children (aged under 5) per childcare place, is a useful indicator of the state of the long day care market. A low ratio can be an indicator of an OVERSUPPLY, whilst a high ratio may indicate a market that has some additional need for places. For Australia the overall ratio is 2.2 in 2025. This varies from 1.8 in the ACT to 3.2 in TAS. There is significant variation by local area. Regional areas tend to have higher ratios than metropolitan areas. In 2021, the ratio of children per place in Australia was 3.2. The ratio has continued to decline in most states and territories primarily due to supply increasing faster than the population of children.

State and National Benchmarks – Ratio of Children Per Place

Ratio	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	AUS
Ratio of Children per place (2025)	2.3	2.2	1.9	2.9	2.5	3.2	1.8	2.5	2.2
Ratio of Children per place (2021)	2.5	2.4	2.0	3.4	2.8	3.3	1.8	2.8	3.2
Change since 2021	-0.2	-0.2	-0.1	-0.5	-0.3	-0.1	+0.0	-0.3	-1.0

OCCUPANCY

Occupancy is estimated based on demand (average places demanded per day) divided by supply (licensed long day acre places). It is based on data maintained by Business Geographics. Nationally, occupancy has declined slightly since 2021 due to increased supply.

State and National Benchmarks – Occupancy

Occupancy	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	AUS
Estimated Average Occupancy (2025)*	79%	75%	78%	76%	75%	82%	77%	76%	76%
Estimated Average Occupancy (2021)*	83%	81%	80%	81%	82%	83%	85%	82%	80%
Change since 2021	-4%	-6%	-2%	-5%	-7%	-1%	-8%	-6%	-4%

** Occupancy estimate is the annual average based on the latent demand. Actual occupancy at any given point in time will vary depending on seasonal factors and the availability of supply. Occupancy may also be temporarily impacted by events such as pandemics, economic recession and/or natural disasters.*

AVERAGE DAILY FEE

Average Daily Fee is estimated based on data collected by Business Geographics via its ongoing survey program. Nationally, since 2021, the average daily fee has increased by $25 or 21% (approx. 5.2% p.a.)

State and National Benchmarks – Average Daily Fees

Average Daily Fees	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	AUS
Average Daily Fees (2025)*	$144	$151	$140	$146	$142	$125	$157	$128	$145
Average Daily Fees (2021)	$120	$130	$114	$122	$120	$109	$128	$107	$120
Change since 2021	+$24	+$21	+$26	+$24	+$22	+$16	+$29	+$21	+$25

**Average daily fees as at January 2025.*

CENTRES

The number of centres is based on data maintained by Business Geographics and includes all approved (licensed) long day care services. Nationally, the number of centres has increased by approx. 29.3% (or 3.26% p.a.) since 2016.

State and National Benchmarks – Long Day Care Centres

Centres	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	AUS
LDC Centres (2025)*	3,487	1,935	1,835	846	475	132	172	96	8,981
LDC Centres (2016)	2,741	1,326	1,457	579	348	119	148	79	6,946
Change since 2016	+746	+609	+378	+267	+127	+13	+16	+17	+2,035

**Number of centres as at January 2025.*

APPENDIX 2 – TERMS USED IN THIS REPORT

ACECQA

The Australian Children's Education and Care Quality Authority (ACECQA) is an independent national authority that assists governments in administering the National Quality Framework (NQF) for children's education and care. New services must be approved by ACECQA before commencing operations.

ATTENDANCE RATE

Data from the **Report on Government Services (2024) prepared by the Productivity Commission (Volume B Chapter 3 Early Education & Care)** reveals that the average time that a child spends in long day care is approximately 33.5 hours per week (out of a typical 50 - hour week).

For the purposes of this report, it is assumed that the national average attendance rate of children at long day care is therefore just over 3 days per week or 65% of full-time. This rate of attendance has been increasing slowly over the years and varies from state to state.

Attendance varies from state to state and ranges from 27.2 hours (or 55%) in Tasmania to 38.8 hours per week (or 75%) in the NT.

It's also worth noting that attendance is not consistent throughout the year as children tend to enter and leave care at different points of the year, depending on the family's circumstances. The number of children that use long day care across a given year is therefore greater than the number using care at any point in time.

BALANCED MARKET

A BALANCED Market is where current levels of supply are MEETING current estimated levels of demand. There are long day care places available within the local area for parents that need care for their children. At the same time, the majority of centres will have solid occupancy rates and be achieving benchmark returns.

It represents the best outcome for both operators and consumers as it means that businesses are profitable and consumers have choice and flexibility. In established markets, a target occupancy of 80% is typically considered appropriate and represents a healthy market for consumers and providers. In high-growth areas, a lower average occupancy of 70%+ may be appropriate to accommodate future growth.

ESTIMATED AVERAGE OCCUPANCY RATE

This figure represents a statistical estimate of the occupancy level at all existing centres in the catchment area. It is calculated by dividing the total estimated daily demand by the observed daily supply of places.

The Office of Early Childhood Education & Child Care collects data on vacancies for long day care centres on a quarterly basis. Trend data for the past few years shows average occupancy rates nationally at between 75% and 80%. For the purposes of this report, Average Occupancy Rates over 85% indicate RESTRICTED SUPPLY, while more than 100% indicates an UNDERSUPPLY. Rates below 75% suggest a tendency to some oversupply while rates less than 70% indicate an OVERSUPPLY. An estimated average occupancy rate of 80% tends to indicate a BALANCED market.

HIGH FORECAST SCENARIO

This scenario assumes the occurrence of one or more events which may boost future Demand for long day care through increased participation rates.

Some of these events may include but are not limited to: greater levels of social assistance (payments to families to help cover the cost of childcare), growth in female labour participation (specifically those with dependent children), an increase in the working population traveling to (or through) the catchment (that utilise services in the catchment), an increase in the real household disposable income (households with higher disposable incomes are more likely to be able to afford childcare services), an increase in the Supply (e.g. a new centre) and/or enhancements to the current Supply (renovations or refurbishments), increasing choice and attracting parents seeking modern or purpose-built facilities.

LOCAL CATCHMENT AREA

The local catchment represents the immediate local community that is (or will be) serviced by the subject site. In the majority of cases*, the local catchment represents the area from which the majority of enrolments at the subject site would be expected to originate from and the existing (and future) childcare centres available to them.

The extents of a local catchment area are assessed by taking into account a range of factors including –

• ABS boundaries for which statistical data is available. Catchments are typically based on Australian Statistical Geography Standard (ASGS) Statistical Area Level 1 or 2 (SA1 or SA2).
• The location and size of the existing (or proposed) site and the distribution of other existing (or future) long day care centres in the immediate local area.
• The existing road and transport network - with a particular emphasis on peak-hour drivetimes – and the nature of surrounding development.
• Physical barriers (eg. rivers) and psychological barriers (eg. administrative or economic areas) which may influence accessibility.
• If applicable, the attractiveness of neighbouring facilities such as shopping centres, places of employment and schools (eg. school catchment zones).

Unless otherwise stated the statistics provided in this report relate to the defined catchment area.

**In employment areas (such as Central Business Districts) the majority of enrolments will originate from elsewhere and so the catchment represents the local working population and the existing (and future) supply available to them should they choose to utilise childcare near their place of work.*

NATIONAL QUALITY FRAMEWORK (NQF)

The National Quality Framework (NQF) provides a national approach to regulation, assessment and quality improvement for early childhood education and care across Australia. Childcare services covered by the NQS are assessed and rated against seven (7) quality areas of the National Quality Standard (NQS) and the Education and Care Services National Regulations as a means of ensuring continuous quality improvement for services. The quality areas assessed include –

- Educational program and practice
- Children's health and safety
- Staffing arrangements
- Relationships with children
- Collaborative partnerships with families and communities
- Governance and leadership

There are five ratings available against each quality area -

- Excellent
- Exceeding
- Meeting National Quality Standard
- Working towards National Quality Standard
- Significant improvement required

NET DEMAND INFLOW

In some markets, a portion of the demand is generated by parents that neither live (resident demand) or work (working population demand) in the study area. We regard this additional demand as a "net gain of demand". In some locations, the net gain can be substantial. Note that a net gain of demand accounts for (and offsets) any demand that leaves the area.

The origin of the net gain of demand will vary from place to place and, unlike resident or working population demand, is difficult to estimate and sometimes dependent on subjective factors. That said, some common attributes of areas with a net gain, include:

● Markets surrounded by under supplied or under serviced areas: when parents are not able to meet their needs in their local or preferred area, they would seek for childcare in a nearby area.
● Areas with highly desirable, competitive or specialised centres. These services typically draw demand from a broader region and parents are willing to travel outside their local community or workplace to enrol their children in these centres.
● Escape demand passing through the local catchment (i.e. commuters driving through the area and dropping children off in the local catchment).
● Non-residents that regularly travel to the area for reasons other than work, such as parents studying in the area, accessing services or for school drop-off.

NET DEMAND OUTFLOW

Net Demand Outflow explains the difference between locally generated demand and locally serviced demand. If all of the centres are full (or close to full), what happens to the remaining demand? Families will look elsewhere for suitable childcare or will go without. This may include accessing care in the surrounding area or near their workplace. In outer suburban commuter markets, most people travel elsewhere for work and many access services (including childcare) near their place of work.

Net Demand Outflow also accounts for latent unmet demand that is not serviced. This represents potential demand that is unrealised due to limited local childcare options or availability. It includes demand from parents that defer a return to work after having children or make alternative informal childcare arrangements to address their childcare needs.

The net demand outflow is our estimate of this unmet demand. We also assume that an increase in local supply (alternative local childcare options) will retain some of this net demand loss and improve local childcare self-containment. However, in some markets there will always be some demand that is serviced elsewhere simply based on parents' preferences.

OVERSUPPLIED MARKET

An OVERSUPPLIED market is where current levels of supply are EXCEEDING current estimated levels of demand. Some, if not all centres, will have difficulty achieving benchmark returns. Occupancy rates are lower than the benchmark – typically < 70%, and the ratio of children aged under 5 per long day care place is typically < 2:1 (in metropolitan markets – but can be higher in regional markets). Centres in the local area will report VACANCIES across a broad range of age groups, including for children under the age of 2. Places in this age group are typically the most restricted even in a balanced market, so markets with low occupancy rates for children under 2 are typically OVERSUPPLIED.

PARTICIPATION RATE

An estimated 52% of children aged 0 – 4 attend long day care nationally.

This figure varies from state to state and forms the basis for calculating the estimated participation rate in the local catchment area – that is, the number of children that are enrolled at long day care. Average participation rates are highest in ACT (60%) and lowest in the NT (38%).

The Participation Rate is also influenced by local supply and demand side factors such as the availability of appropriate childcare and the female labour force participation rate. For example, long day care participation rates are typically higher in metropolitan markets compared to regional areas. The availability of alternative forms of childcare (eg kindergarten/preschool) will also influence local long day care participation rates.

The long day care participation rate is also closely correlated to the Female Labour Force Participation Rate (FLFPR) such that the FLFPR serves as a useful proxy for estimating the long day care participation rate in specific markets.

POTENTIAL ADDITIONAL MARKET NEED

Potential Additional Market Need is the number of additional places the market demands, and could potentially support, without creating a significant long-term oversupply. This is indicative only. An assessment of need should not be interpreted in isolation as an assessment of the commercial feasibility for centre development, acquisition or disposal.

RATIO OF CHILDREN (AGED UNDER 5) PER LDC PLACE

This is a useful indicator of the local long day care market. A low ratio can be an indicator of an OVERSUPPLY, whilst a high ratio may indicate a market that has some restricted supply. It's worth noting that ratios in regional areas with a BALANCED market are often higher than those in metropolitan areas. Nationally, the ratio of children (under 5) per licensed childcare place is 2.5 : 1.

UNDERSUPPLIED MARKET

A market that is UNDERSUPPLIED has fewer places available than demanded – that is, demand EXCEEDS supply. Such a market is characterised by very high occupancy rates (typically approaching 100%) and a relatively high ratio of children aged under 5 per long day care place supplied compared to benchmarks.

In an undersupplied market, not all parents are able to meet their childcare needs locally and may have to look outside of the local area (the Local Catchment) to obtain care that meets their needs or make alternative arrangements. This may mean utilising informal care providers such as Family Day Care or relatives (extended family) or new parent's deferring a return to work after having children.

VACANCY RATES REPORTED BY LONG DAY CARE CENTRES

Vacancy Rates reported by centres in the telephone survey are classified into three categories depending on the perceived availability of places. These Vacancy Rates are estimated based on the response of centre staff to an enrolment enquiry. It's important to note that Vacancies for children under 2 tend to be more restricted than for older children but this is typical of most markets.

A centre that is classified as having NO VACANCIES has no places available for any age groups or on any days. Centres with NO VACANCIES have 100% occupancy and will often run a waiting list for future enrolments.

A centre that reports LIMITED VACANCIES will typically have some vacancies either for specific age groups or on selected days only. Centres with LIMITED VACANCIES are likely to have occupancy rates in excess of 70% but less than 100%.

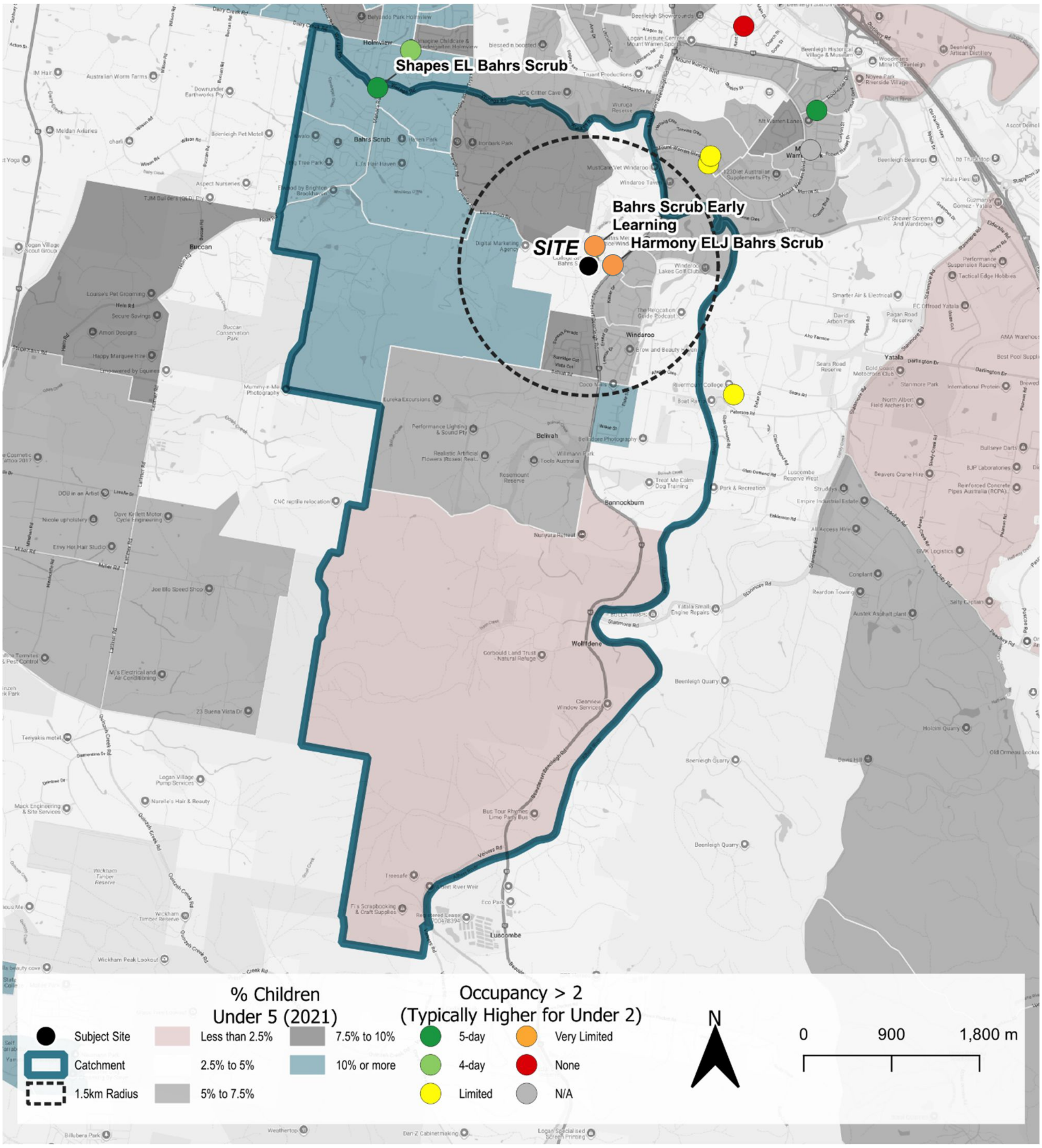
A centre that reports VACANCIES has one or more places available on all days for the nominated age group. Centres with VACANCIES will often have occupancy rates of less than 70%.

APPENDIX 3 – SPATIAL DEMAND INDICATORS

This section identifies key spatial demand drivers evident in the catchment area.

Children Aged Under 5

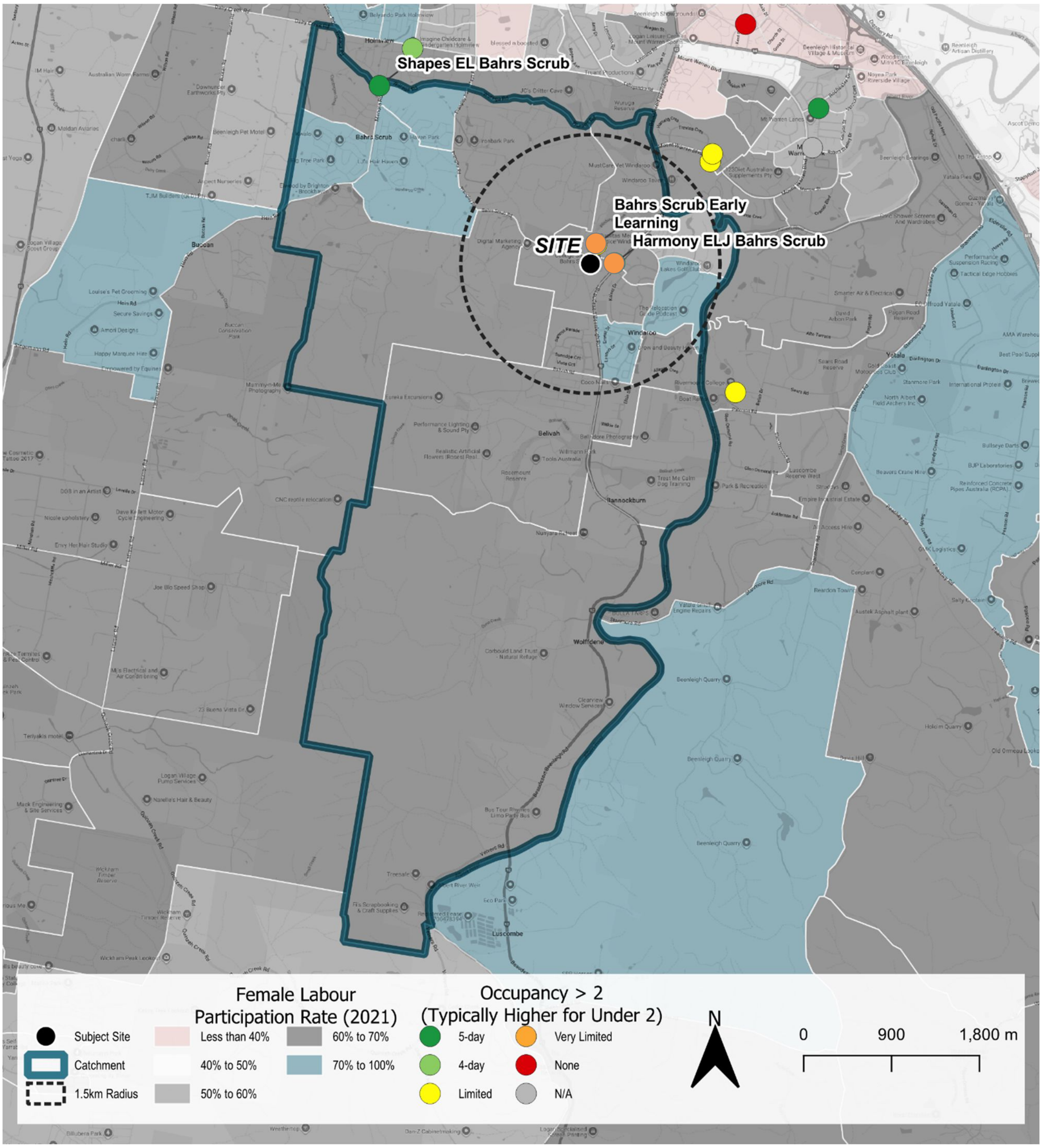
The local catchment currently (2025) has an estimated population of 754 children (under 5), which represents 7.02% of the total population. The map below shows their concentration by neighbourhood.



Female Labour Force Participation Rate

Another important demand driver for long day care is the female labour force participation rate. One of the main social contributions of long day care is to support labour force participation (particularly amongst women). Areas with existing high levels of female labour force participation tend to have high rates of demand for long day care.

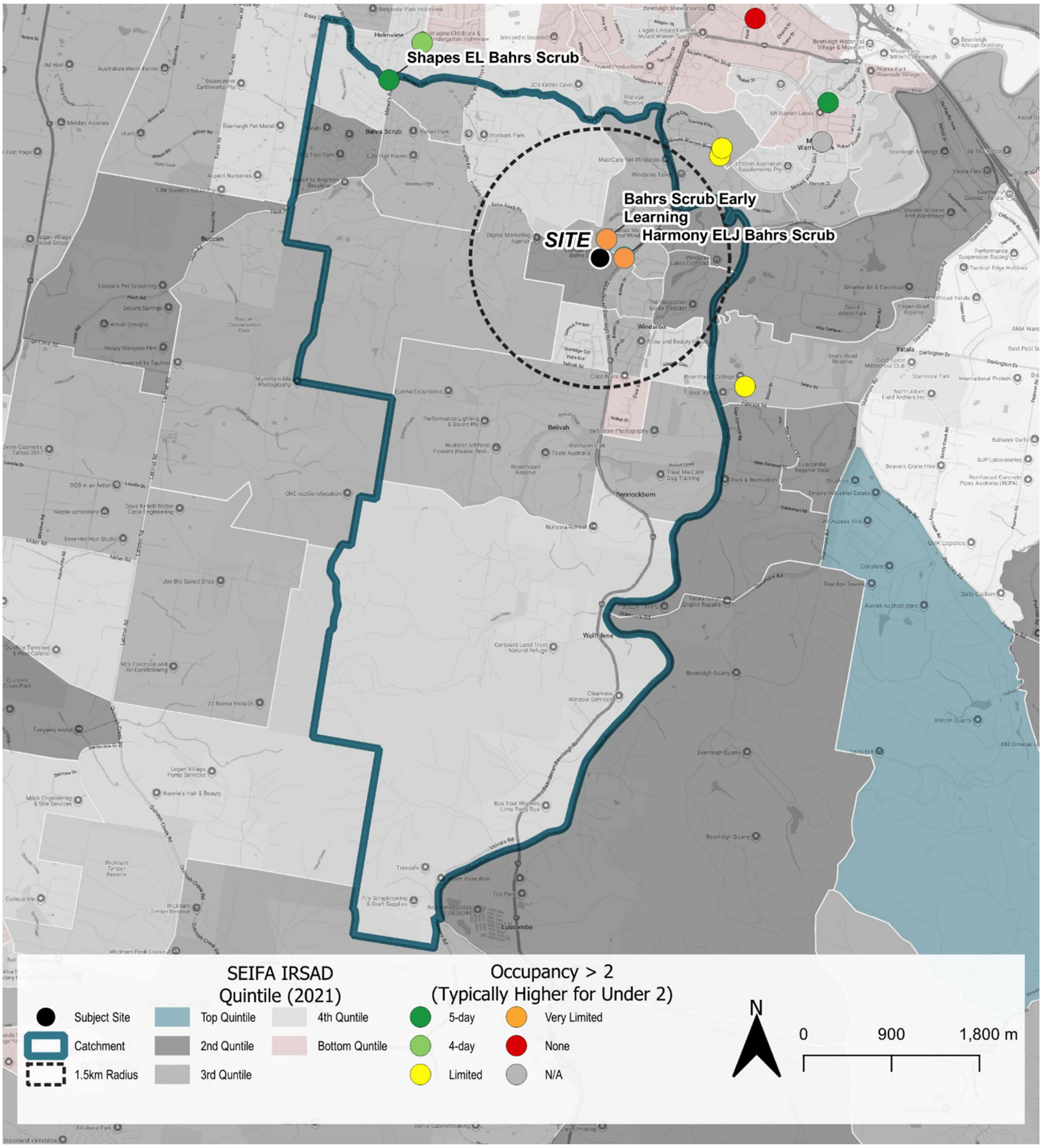
The map below highlights above average female labour force participation rates in the local catchment.



Socioeconomic Advantage and Disadvantage

The Socio-Economic Indexes for Areas (SEIFA) Index of Relative Socio-Economic Advantage and Disadvantage (IRSAD) can be used as a proxy measure to identify services that are more or less likely to educate and care for children from disadvantaged backgrounds.

This map shows the distribution of Socio-Economic Advantage and Disadvantage (IRSAD) across the catchment during 2021.



Population Growth

Population growth is another important indicator of demand for long day care with growth often representing the establishment of residential neighbourhoods and family formation.

The map below shows the average annual population growth rate by neighbourhood from 2016-21. Green areas have high rates of population growth (10% or more) or have been populated since 2016 (New Area), while pink areas indicate a stable or declining population growth (0% or less).