CHILDCARE NEEDS ASSESSMENT

Proposed Development Site

Tallagandra Rd

HOLMVIEW QLD 4207

Report prepared for:

JLF CORPORATION PTY LTD

JUNE 2025

Business Geographics Pty Ltd
ABN 58 598 868 634
PO Box 838, Paddington QLD 4064
Ph: +61 7 3118 5036
admin@businessgeographics.com.au
www.businessgeographics.com.au

IMPORTANT INFORMATION

This report represents an assessment of the need for long day care services in the study area only and should not be interpreted as an assessment of the commercial feasibility for centre development, acquisition or disposal. Information and assumptions used in this report are subject to change and should not be interpreted as precise predictions of the demographic future nor of future market conditions.

While all due care has been taken to ensure the accuracy and currency of information provided in this report, it should not be relied upon in isolation for the making of business decisions. Interested parties should undertake independent inquiries and investigations to satisfy themselves that relevant information remains current, comprehensive and correct.

TABLE OF CONTENTS

INTRODUCTION & REPORT CONTEXT

This Childcare Needs Assessment provides an independent assessment of the community, economic and planning need for long day care services in HOLMVIEW, QUEENSLAND - specifically concerning a proposed long day care centre use at Tallagandra Rd, Holmview QLD 420.

The subject site comprises 8 residential lots to be amalgamated within the previously approved 'Somerfield East' residential development between 260 Wuraga Road and Tallagandra Rd, Homview (DA REF: COM/104/2022).

This report provides an assessment of the need for the proposed long day care use in this location and its impacts. The report includes a review of existing long day care facilities (supply) in the local catchment area (including estimates of occupancy rates for existing centres); estimates of demand for long day care from the resident and non-resident working population; a demographic profile of the local area, and population/demand forecasts.

This assessment is restricted to the demand and supply of long day care centres. Other forms of informal childcare and centre-based childcare (ie: 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.

REPORT CONTRIBUTORS:

Director/Principal Analyst – Philip Henry
Research Analyst - Julie Truong
Research Assistants - Anne Maclean, Matthew Moyle

ABOUT BUSINESS GEOGRAPHICS

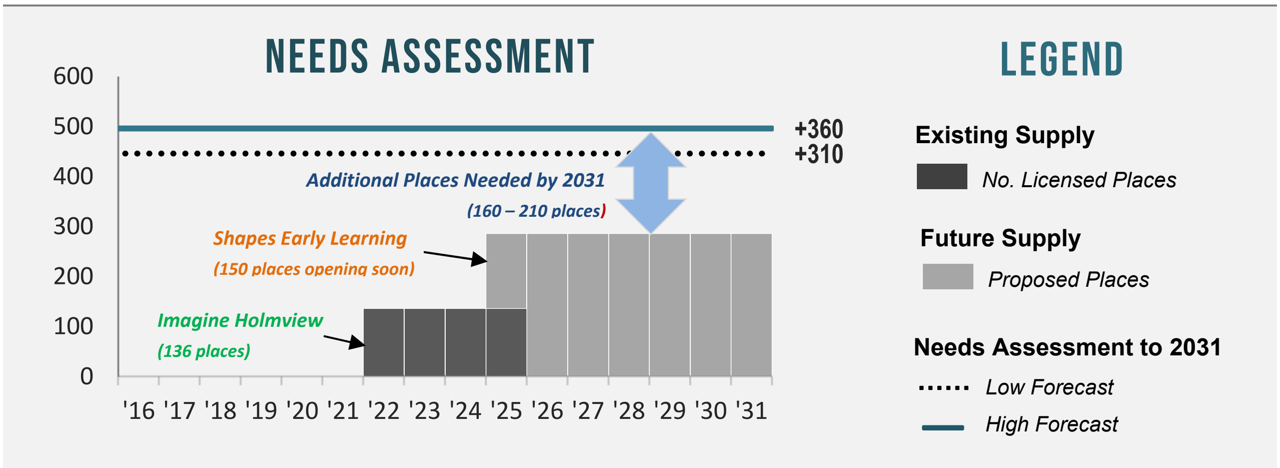
Business Geographics are specialists in childcare location research. We work with the leading names in childcare in Australia and our clients include Australia's largest childcare providers as well as many independent management groups, operators & developers.

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.

EXECUTIVE SUMMARY

- Overall, it's Business Geographic's view that there is an economic, community and planning need for additional childcare in Holmview –to address the significant latent unmet demand, improve childcare choice, availability and amenity, and meet the forecast needs of this rapidly-growing community.
- The existing (and approved) supply network is insufficient to adequately meet the current and forecast needs of the community over the next 6 years to 2031. It's conservatively estimated that an additional 310 – 360 childcare places in total are 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%). This is more than enough to support the development of the subject site (at 102 places) in addition to the upcoming Shapes Early Learning in Bahrs Scrub (150 places).
- 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 increase of 102 places at the subject site is well within the forecast needs of the area and is of a size and scale that is appropriate for this location;
    - 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 location is highly convenient and accessible being within a new family-oriented residential estate and adjoining a new primary school opening in Term 1, 2027.
    - Whilst a new 150-place centre (Shapes Early Learning) is due to open soon in Bahrs Scrub, it will not be sufficient to fully address the needs of the local community.
    - There are no other suitably zoned alternative sites in the local catchment available to accommodate the proposed use. Whilst a local centre is anticipated in the Brookhaven Masterplan, this will not be available for many years and will not meet the immediate need for additional childcare in Holmview. Regardless, the proposed development does not prejudice the future development of childcare at this Local Centre. Indeed, it's expected that additional childcare will be needed to support the growing community as soon as 2031.
    - There are no dedicated stand-alone kindergarten services in Holm View or Bahrs Scrub;
    - If the subject site is not developed, the local market would be expected to remain undersupplied. This would have significant social and economic impacts on local families.
- 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 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 need for the proposed development and it should be supported.

NEEDS ASSESSMENT TRENDS



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)	8,267	
Children Aged Under 5 (%)	929 (11.23%)	5.67%
Recent Growth 2021-2025 (Under 5)	+91 (2.70% p.a.)	-0.40%
Forecast Growth 2025-2031 (Under 5)	+194 (3.48% p.a.)	1.85% p.a. *(ABS & Other Sources)*
Long Day Care Participation Rate	60%	56% *(2025)*
Resident Demand	363	*Locally generated demand*
Demand Outflows	-250	*Demand directed elsewhere or unrealised*
Net Daily Demand	113	*Demand serviced locally*
SUPPLY INDICATORS		
No. of Long Day Care Centres (2025)	1	
Supply of Long Day Care Places (2025)	136	
Change in Supply 2021 – 2025 (%)	136 new places (+0.0%)	13.3%
Average Daily Fee	$150	$140 *(2025)*
Vacancies at Existing Centres	VACANCIES* *(Not reflective of underlying demand)	
NEEDS ASSESSMENT		
Average Estimated Occupancy Rate (%)	83.09%	78.0% *(2025)*
Ratio of Children per LDC Place	6.83 : 1	1.9 *(2025)*
Assessment of Market	**UNDERSUPPLIED*** ***(Latent unmet demand)**	
Potential Additional Market Need	310 to 360 places to 2031	*Assuming participation rate of 60% - 65%*
Development Pipeline[1]	A search for childcare development applications and/or approvals within the catchment, returned two (2) relevant results, as discussed on the following page. 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.

CHILDCARE DEVELOPMENT PIPELINE

The list below shows proposed or approved new centres within the local catchment. ***This list may not include applications that are less than 1 month old due to delays in reporting.***

----- DEVELOPMENT APPLICATIONS -----					
PROJECT	STREET ADDRESS	SUBURB	PLACES	PLANNING REF. & STATUS	DESCRIPTION
Wuraga Road CCC	335 Wuraga Road	BAHRS SCRUB	150	***BW/3581/2024 (New)|*** ***MCUI-20/2019 (Old)*** Development Approval (Nov21) Contract Awarded (Mar23) New Development Approval (May24) Construction Commenced (Jun24) **Advertised as Shapes Early Learning Opening 2025 (Feb-Jun25)**	Demolition of all existing structures. Construction of a 2 storey 150 place childcare centre. https://shapesearlylearning.com.au/childcare-kindergarten-in-bahrs-scrub/
Holmview Central CCC	17 Gardiner Rd	HOLMVIEW	-	***MCUI-22/2018*** Amended DA Refused (Jan19) Court Appeal Lodged by Developer (Jul19) 1st Court Hearing Completed (May21) Appeal Withdrawn Developer Reviewing Options (Jun22) **Deferred Indefinitely (Nov22-Mar23)** **No Further Information (Jun25)**	Extension of shopping centre which includes a childcare centre, department store, shops, supermarket, food & drink outlet, office, car wash facility, garden centre, healthcare services, indoor & outdoor recreation, showroom, theatre etc
	TOTAL PLACES		**150**		

SUBJECT SITE LOCATION

The subject site is located within the Somerfield East precinct of the Somerfield residential estate (https://somerfieldestate.com.au/).

Somerfield is an established, family-oriented residential estate which is expanding to the west and east. Somerfield West is currently under construction. Somerfield East (260 Wuraga Rd, Holmview) has been approved for development (99 lots) as per DA REF: COM/104/2022).

The subject site will be created through the amalgamation of 8 residential lots fronting Tallagandra Rd as shown in the plan below.

The subject site adjoins land that is earmarked for a future Bahrs Scrub State Primary School which is anticipated to open in Term1, 2027. The new school will service Prep to Year 6. It will increase capacity in the local school network and provide enrolment relief to surrounding schools.

https://alt-qed.qed.qld.gov.au/programs-initiatives/department/building-education/new-schools/holmview

Image Source: https://www.openlot.com.au/somerfield-estate-holmview#communityGallery-1

LOCAL CONTEXT

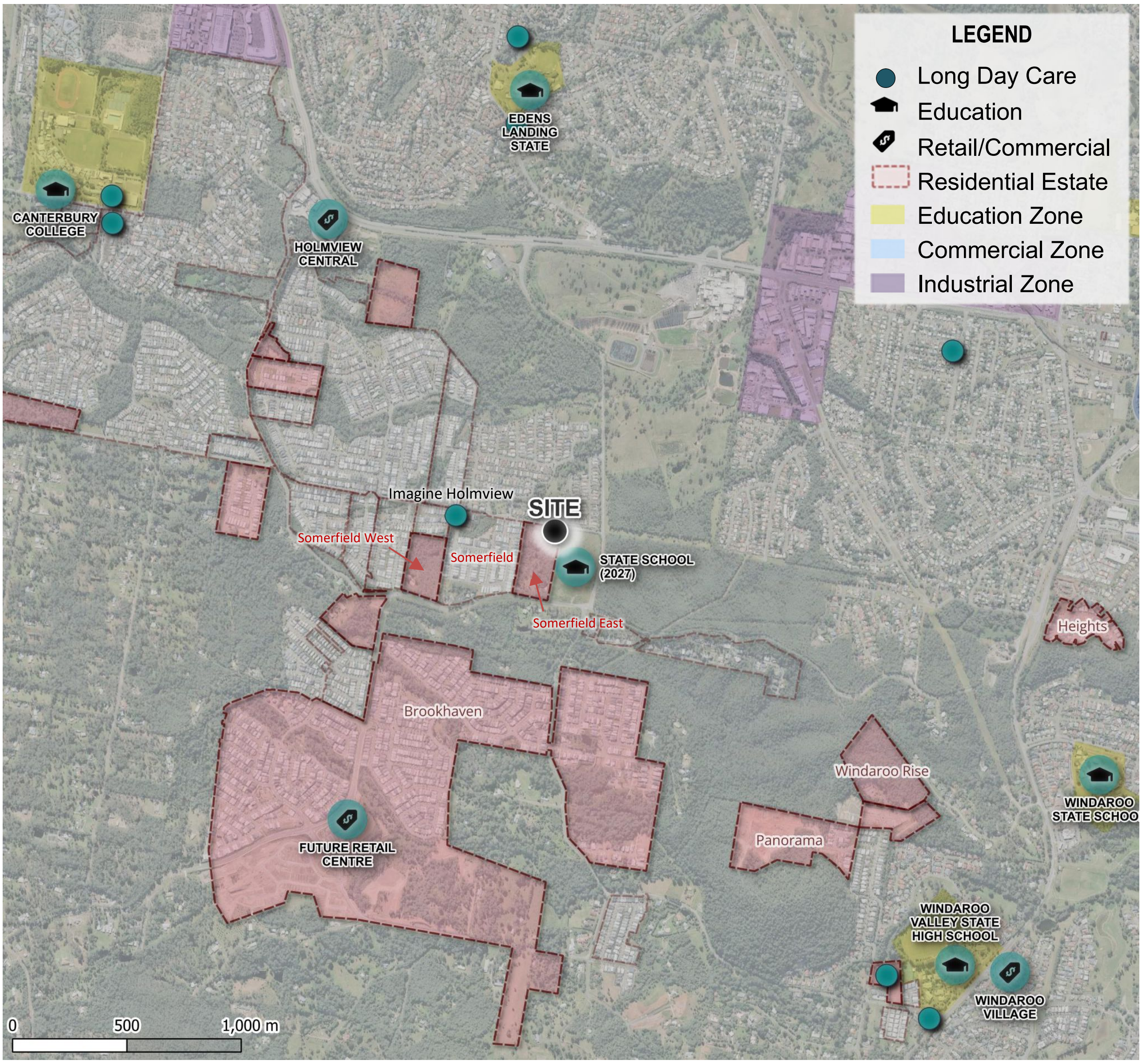
The photo below shows the subject site at Talagandra Road, Holmview, and an aerial image of the immediate area.

Some points of interest nearby include:

HOLMVIEW CENTRAL

CANTERBURY COLLEGE

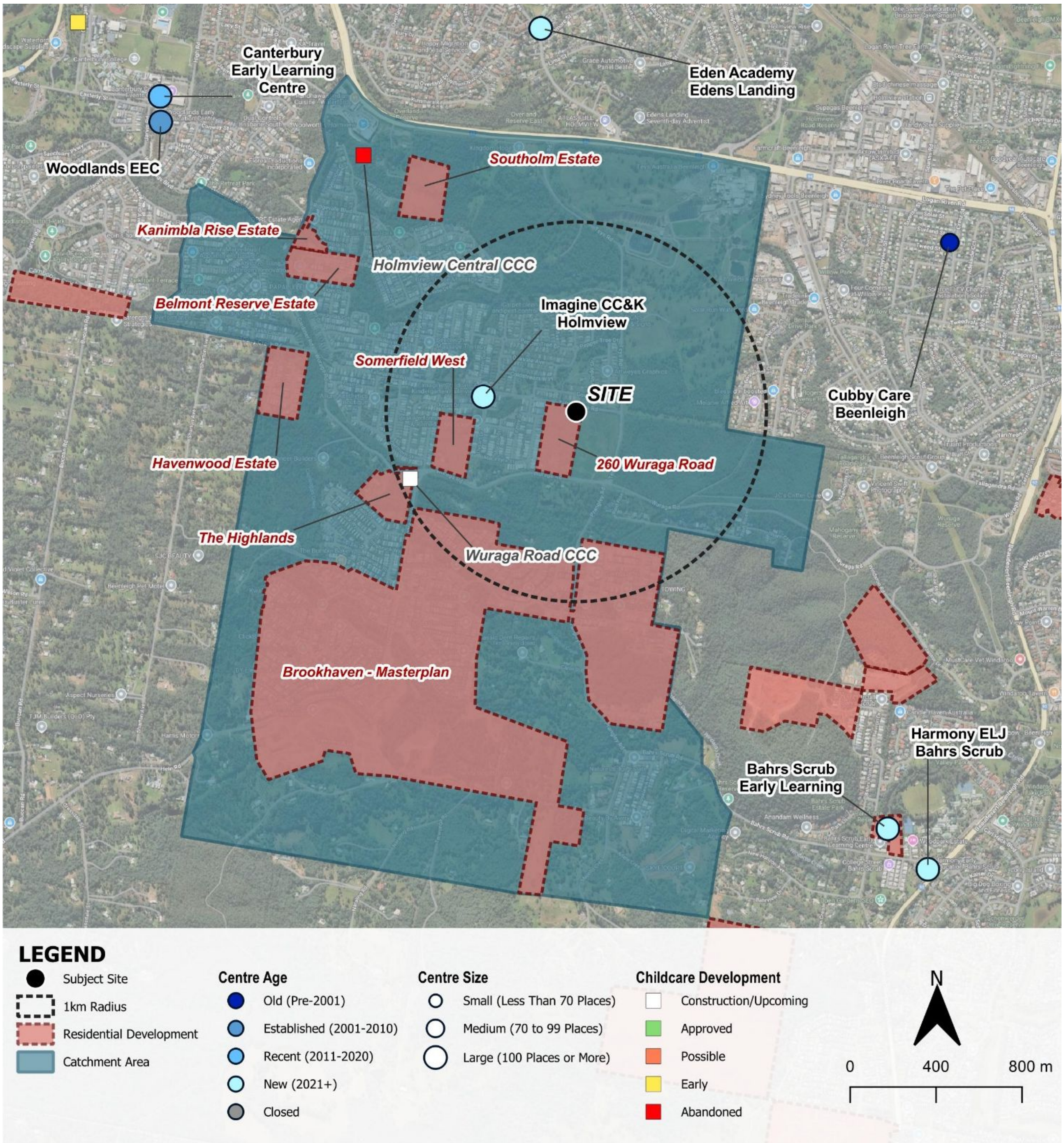
EDENS LANDING PRIMARY



MAP OF LOCAL CATCHMENT AREA

The local catchment represents the immediate local community that is (or will be) serviced by the subject site. In most 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 (described in more detail in Appendix 1). Unless otherwise stated the statistics provided in this report relate to the defined catchment area.

The local catchment comprises most of the suburb of Holmview (excluding parts north of Logan River Road), the north-west part of Bahrs Scrub (predominantly comprising the Brookhaven community), and a small part of Waterford to the west (off Dairy Creek Road) and Beenleigh to the east (off Wuraga Rd).



PLANNING CONTEXT

It's Business Geographic's view that the proposed use is consistent with the overall intent of the planning scheme as it will remain a small-scale community-use facility that supports the day-to-day needs of local residents.

LOW DENSITY RESIDENTIAL ZONE CODE

The subject site is located in the Small Lot Precinct of the Low-Density residential zone. The Low Density Residential Zone code in the Logan Planning Scheme 2015 (LPS 2015) aims to ensure development is compatible with the surrounding area and protects the environment and safety. The zone permits various uses catering to local residents, including childcare centres, community uses, small-scale food and drink outlets, health care services, and small-scale shops.

Under section 6.2.5.2 (Purpose) it is noted –

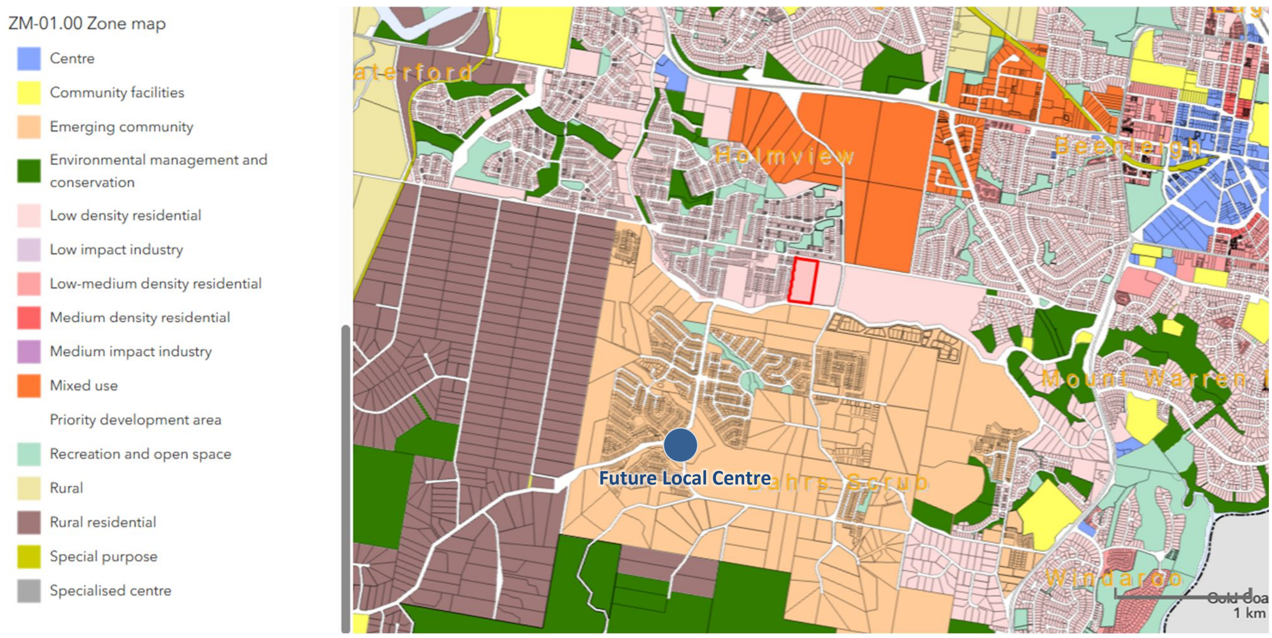
1. The purpose of the Low density residential zone is to provide for:
a. a variety of low density dwelling types, including dwelling houses; and
b. community uses, and small-scale services, facilities and infrastructure, to support local residents.

2. The local government purpose of the Low density residential zone code is to: a. provide for predominantly dwelling houses;
b. provide small-scale non-residential development that caters for the daily needs of local residents;
c. provide levels of comfort, quiet, privacy and safety reasonably expected in a predominantly residential environment.

It's 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 local residents and provide a high-level of amenity to local families;
- It will be comparatively small-scale (relative to other centres in Holmview/Bahrs Scrub)
- It's location next door to the future Bahrs Scrub school is ideal and will contribute to community safety and cohesion. Indeed, the co-location of childcare with primary schooling is highly desirable and delivers significant benefits in terms of education, care and safety for children and families. It is highly convenient for families (in terms of pick-up and drop-off) and can help support children in a smooth transition from one learning environment to another.
- It will not compromise the role or function of other existing (or future) centre-zoned land in Holmview/Bahrs Scrub.

HOLMVIEW & BAHRS SCRUB ZONING MAP



ALTERNATIVE SITES FOR CHILDCARE

Under the current Logan City Plan, there is an existing Local Centre within the local catchment at 1-17 Gardiner Road HOLMVIEW 4207. This site has been developed and contains the Holmview Central Shopping Centre, two (2) service stations, a Mcdonald's drive-through restaurant and associated retail. It's Business Geographic's view that this site (shown below) is unavailable and inappropriate for the proposed use. Indeed, an application to extend the shopping centre (incorporating childcare) was previously refused (DA REF: MCUI-22/2018).

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. Importantly, the development of childcare at the subject site does not prejudice the future development of childcare at this Local Centre. Indeed, it's expected that additional childcare will be needed to support the growing community in Holmview and Bahrs Scrub as soon as 2031.

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 emerging Somerfield community in the 'greenfield' residential suburb of Holmview in the City of Logan, approximately 32km southeast of the Brisbane CBD and 2km west of Beenleigh. The traditional landowners of the Holmview area are the Yugambeh first nations people.

The local catchment primarily comprises areas within the suburb of Holmview and Bahrs Scrub, with a small area of Waterford in the west and Beenleigh in the east. The local catchment accommodates for some significant residential areas, with the following projects proposed or underway – Brookhaven Estate (up to 1,980 lots), Southolm Estate (42 lots), Belmont Reserve Estate (69 lots), Kanimbla Rise Estate (18 lots), Havenwood Estate, The Highlands (163 lots) and Somerfield (316 lots).

Brookhaven Estate (in Bahrs Scrub) - a master-planned community developed by Frasers Property Australia – is the largest development. Brookhaven spans approximately 160ha and is planned to include around 1,750 to 1,980 residential lots upon completion, expected by 2027. Plans for the community include a 6,000m^2 local shopping centre, parks, and green spaces.

The age profile in the local catchment is significantly younger than the Queensland profile, with an average age of 26 (twelve years under the state average). The catchment has a higher representation of working-age persons aged 25 to 44 years, which represent 41% of the total population – an indication a youthful and family-oriented demographic.

Holmview is in the very early stages of community infrstructure provision and so families have limited access to childcare and no access to schools in the local catchment. However, a new childcare centre (Shapes Early Learning) is opening soon in Brookhaven and a new government primary school will be built east of the subject site, with construction to commence mid-2025 and opening for Term 1, 2027.

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.**
- **Higher proportion of couple and one-parent families.**
- **Higher proportion of persons born overseas and from non-English speaking backgrounds.**

According to the latest 2023 edition of the Queensland Government population projections released by the Queensland Government Statistician's Office, forecast population growth in the local catchment is VERY HIGH with the total population forecast to increase by 4.41% p.a. from 2025 to 2031 (net 2,186 persons). The population of children under 5 in the local catchment is forecast to increase at a rate of 3.48% p.a. from 2025 to 2031 (net 194 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	838	11.30%	929	11.23%	1,122	10.74%	194	3.48%
5-14 years	1,116	15.05%	1,273	15.40%	1,594	15.25%	321	4.20%
15-24 years	1,082	14.59%	1,168	14.13%	1,594	15.25%	426	6.07%
25-44 years	3,043	41.03%	3,358	40.61%	4,014	38.40%	656	3.26%
45-64 years	1,017	13.71%	1,141	13.80%	1,526	14.60%	385	5.62%
65 years and over	321	4.33%	398	4.81%	602	5.76%	204	8.55%
TOTAL	**7,417**	**100.00%**	**8,267**	**100.00%**	**10,452**	**100.00%**	**2,186**	**4.41%**

[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

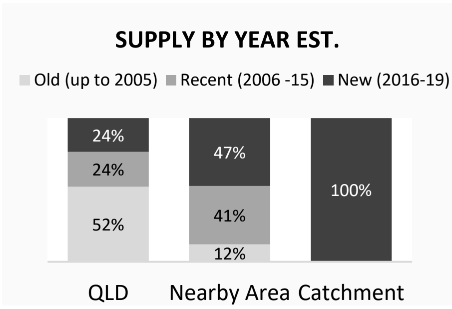
The following table provides a summary demographic profile of the local catchment area (compared to state benchmarks) based on data from the 2021 ABS census of population and housing.

	----- 2021 CENSUS -----			
	LOCAL CATCHMENT		STATE COMPARISON	
	No.	%.	Higher than QLD ▲ Lower than QLD ▼	QLD average
TOTAL PERSONS	7,417	100.00%		
Males	3,594	48.46%	▼	49.27%
Females	3,823	51.54%	▲	50.73%
AGE GROUPS				
0-4 years	838	11.30%	▲	5.67%
5-14 years	1,116	15.05%	▲	13.03%
15-24 years	1,082	14.59%	▲	12.36%
25-44 years	3,043	41.03%	▲	26.95%
45-64 years	1,017	13.71%	▼	25.01%
65 years and over	321	4.33%	▼	16.98%
Median Age	26		▼	38
SELECTED PERSON CHARACTERISTICS				
Performed unpaid childcare (15 years +)	1,888	34.56%	▲	26.54%
Married persons (15 years +)	1,897	34.72%	▼	44.98%
Country of birth - Australia	4,845	65.32%	▼	71.37%
Language spoken at home - English only	5,481	73.90%	▼	80.51%
WEEKLY INCOME (POPULATION AGED 15 YEARS AND OVER)				
Average individual income	$858		▲	$787
Average household income	$1,775		▲	$1,675
Average family income	$1,829		▼	$2,024
LABOUR & SOCIO ECONOMIC STATISTICS (2021 Census)				
Socio-economic Index (IRSAD SEIFA)	964 (decile: 4)			1000 (AU)
Female Labour Participation (%) *	63.89%		▲	58.90%
Parents w. children 0-14 (Both employed)*	491	54.83%	▼	54.96%
Pop 0-4 with Employed Mother (% pop)*	447	53.34%	▲	43.62%
FAMILY CHARACTERISTICS				
Total families	2,013	100.00%		100.00%
Couple families without children	624	31.00%	▼	40.32%
Couple families with children	769	38.20%	▲	29.13%
One parent families	434	21.56%	▲	16.83%
Other families	43	2.14%	▲	1.63%
Source: ABS Census (2021) *				
----- **OTHER (NON-CENSUS) STATISTICS** -----				
Unemployment Rate (Dec 2024)	3.58%		▼	3.90%
Fertility Rate (2024)	2.23		▲	1.79

SUPPLY ANALYSIS

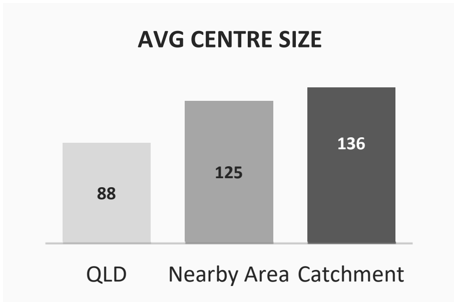
This section provides a review of existing long day care facilities in the local catchment area. A table is provided on the following page providing specific details of Licensed Places, Fees and Occupancy at existing centres. This information is sourced from ACECQA and directly from centres and its accuracy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

At present (June 2025), there is only one (1) long day care centre in the local catchment – Imagine Child Care and Kindergarten Holmview supplying 136 places to an estimated market of 929 children under 5. This represents a VERY HIGH ratio of 6.83children under 5 per childcare place (compared to the QLD state average of 1.9 : 1).



Imagine CC&K Holmview is a newly established centre opening in 2022 provided by Imagine Education Early Learning Centres No. 21 Pty Ltd ATF Imagine Education Early Learning Centres No. 21 Unit Trust.

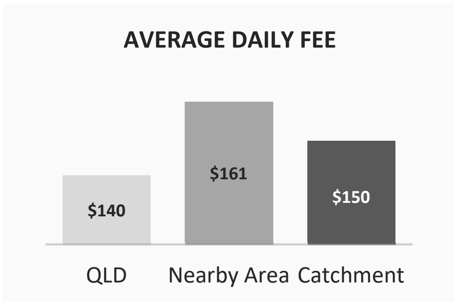
The daily fees[3] at this long day care centre are $150 per day (or $750 per week for full-time attendance) across all age groups. This is lower than the average fee for the long day care centres in the surrounding area, being approx. $161 per day.



Imagine CC&K Holmview has been assessed against the National Quality Standard and is rated as 'Meeting NQS', meaning the centre is meeting the national benchmark set for early childhood education and care.

Like many long day care centres, Imagine CC&K Holmview includes meals, snacks and nappies for the attending children.

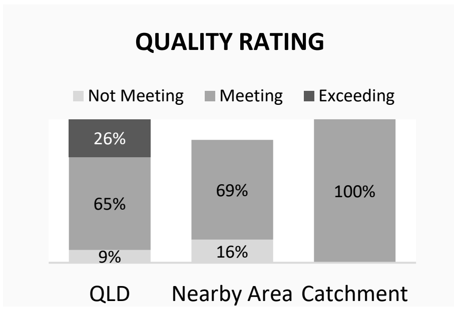
A telephone survey of the centre has revealed that there are **VACANCIES** for both nursery and toddler places. The average occupancy rate at this centre is 83%, which generally indicates that places are available - although this centre may not necessarily be their preferred centre.



As such, this is in the context of significant latent unmet demand that is either directed elsewhere or simply unrealised. Indeed, occupancy at the nearby centres is higher (88.4%). Overall, families have very limited choice and supply is not meeting the needs of the community.

As Holmview/Bahrs Scrub continues to develop and attract new young families, it is expected that demand (and occupancy at local centres) will increase strongly in coming years.

A search for childcare development applications and/or approvals returned are **two (2)** results, as detailed on page 7[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 tables provides details of existing long day care centres in and surrounding 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
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	Vacancies <2 Vacancies >2	$150.00	$750.00	Snacks, Lunch, Nappies 6:30AM to 6:30PM Meeting NQS
TOTALS / AVERAGES		**136**		**$150**	**$750**	

----- *CENTRES NEARBY* -----

DETAILS	PROVIDER & DATE ESTABLISHED	LICENSED PLACES	VACANCIES	FEE SCHEDULE PER DAY	FEE SCHEDULE PER WEEK	INCLUSIONS, OPERATING HOURS & QUALITY RATING
Cubby Care Early Learning Centre Beenleigh 22 Crest St BEENLEIGH 4207 QLD (07) 3287 5777	**Evolve Early Education Pty Ltd Since 2019 Est. 1993**	90	Limited <2 Limited >2	$145.00	$725.00	Snacks, Lunch, Nappies 6:15AM to 6:15PM Meeting NQS
Woodlands Early Education Centre 1 Jarvis Road WATERFORD 4133 QLD (07) 3081 2800	**Queensland Child Care Service Pty Ltd ATF The Queensland Child Care Service Trust No.2 Est. 2010**	194	V. Limited <2 Limited >2	$150.00	$750.00	Snacks, Lunch 6:00AM to 6:00PM Meeting NQS
Canterbury Early Learning Centre (Extended Hours Kindergarten) Old Logan Village Road WATERFORD 4133 QLD (07) 3299 0888	**Canterbury College Limited Est. 2011**	110	None (3yrs+ only)	$176.00 - $191.00	$880.00 - $955.00	Snacks 7:00AM to 6:00PM Meeting NQS
Harmony Early Learning Journey Bahrs Scrub 5 Bahrs Scrub Road BAHRS SCRUB 4207 QLD (07) 3606 0226	**Harmony Bahrs Scrub Pty Ltd Since 2022 Est. 2021**	125	Vacancies <2 Limited >2	$161.80	$809.00	Snacks, Lunch, Nappies 6:30AM to 6:30PM Meeting NQS
Bahrs Scrub Early Learning 32 BAHRS SCRUB ROAD BAHRS SCRUB 4207 QLD (07) 3555 5966	**Bahrs Scrub Early Learning Pty Ltd Est. 2021**	120	None <2 V. Limited >2	$157.00	$785.00	Snacks, Lunch, Nappies 6:30AM to 6:30PM Working Towards NQS
Eden Academy Edens Landing 31 Castile Cr EDENS LANDING 4207 QLD (07) 3606 0262	**Eden Academy Child Care Pty Ltd Est. 2025**	108	Limited <2 None >2	$177.00	$885.00	Snacks, Lunch, Nappies 6:30AM to 6:30PM Provisional - Not Yet Assessed
TOTALS / AVERAGES		**747**		**$161**	**$807**	

[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.

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 in 2025 is estimated at 363 places. This has been estimated based on a local Long Day Care Participation Rate of 60% (slightly above the state average) and an Attendance Rate of 65% (i.e. a little over 3 days per week).

The participation rate reflects the above average female labour force participation rate in the local catchment. It has remained stable since 2021 and is expected to range from 60% (the current rate) to 65% (high forecast) by 2031. Importantly, it's Business Geographic's view that the high forecast represents a 'highly-likely' scenario considering the upcoming changes to childcare subsidy eligibility. The removal of the activity test and introduction of the 3-day guarantee from January 2026 is expected to boost childcare participation in this market.

At present locally generated demand far exceeds available supply. It's estimated that upto 250 places per day (69% of locally generated demand) is not being serviced locally. This represents potential demand that is either –

a) Directed elsewhere (such as to centres in neighbouring suburbs or elsewhere in the broader area near parent's workplaces) or;
b) Is simply unrealised (with new parents deferring a return to work, making informal childcare arrangements, or going without).

The opening of Imagine Child Care & Kindergarten Holmview in 2022 helped retain/activate some of the unmet demand. Additional local supply (including the upcoming Shapes Early Learning centre and the proposed development at the subject site) will further improve local childcare self-containment.

That said, it should be noted that the demand forecasts assume that some continued demand outflows would be expected due to the commuter nature of the suburb, historic patterns of childcare use and the preference of some families to utilise childcare near their place of work. This is estimated to remain at just over 20% (or 100 places per day) considering the existing childcare development pipeline.

Overall, Net Daily Demand (serviced locally) is therefore forecast to range between 338 and 375 places by 2031 (depending on the Participation Rate). This represents an increase of an additional 225 – 262 places per day.

------- 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	7,417	100%	8,267	100%	10,452	100%	10,452	100%	2,186	4.41%
Children Aged 0 - 4	838	11.30%	929	11.23%	1,122	10.74%	1,122	10.74%	194	3.48%
Participation Rate *	60%		60%		60%		65%		-	-
Children Attending Long Day Care	503		557		673		730		116 - 172	3.48% - 5.16%
Attendance Rate #	65%		65%		65%		65%		-	-
Avg Daily Demand	327		363		438		475		75 - 112	3.48% - 5.16%
Demand Outflows	-327		-250		-100		-100		150	-12.0 %
Net Daily Demand (Serviced Locally)	0		113		338		375		225 - 262	33.19% - 38.64%

*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 slightly 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 (102 places) and staffing ratios for childcare, it's estimated the centre will directly contribute up to 14 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 14 jobs including both full-time and part-time positions.

The availability of an additional local childcare option would also be expected to 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.

EMPLOYMENT IMPACTS OF ADDITIONAL CHILDCARE

Myriad studies show that affordable and accessible childcare enables more women, who are often primary caregivers, to enter or return to the workforce after having children. In Australia, childcare remains one of the largest barriers to female workforce participation. Data from the ABS highlights that many women with children under 15 cite childcare responsibilities as the main reason for not working or working fewer hours than they would like. Expanding childcare availability increases opportunities for women to participate in the labour market.

In 2025, the size of the local catchment's female labour force is estimated at 1,550 persons. Analysis of the female labour force participation rate shows that there was a significantly higher proportion of females in the labour force (64%) compared with Redland City (56.5%).

A modest 5% increase in the female labour force participation rate (which is highly correlated with childcare participation) would yield an additional 78 female workers (not including forecast population growth). With worker productivity in Logan estimated at $109,099 per annum in 2023/24, this equates to an additional economic contribution of $8.5 million dollars per annum. *https://economy.id.com.au/logan/worker-productivity-by-industry*

IMPACTS OF INCREASED FEMALE LABOUR FORCE PARTICIPATION

Increased female labour force participation due to increased availability and affordability of childcare has many economic impacts on families and the communities in which they live. This includes -

INCREASED HOUSEHOLD/FAMILY INCOME

- When new parents return to work, families experience a boost in household income. Dual-income households typically spend more, stimulating demand for goods and services and supporting businesses across various sectors. This can improve living standards, provide better access to education and healthcare, and allow for greater financial security.
- Moreover, with an additional source of earnings, families have more money to spend at local businesses on necessities like housing, groceries, and clothing, as well as discretionary items such as entertainment and travel. Extra income can also be directed toward savings, investments, or paying down debt, contributing to families long-term financial goals.

FINANCIAL SECURITY

- Having two incomes reduces the pressure on one breadwinner, making families less vulnerable to financial shocks like job loss or unexpected expenses. Women who remain in the workforce also receive long-term financial benefits as they are more likely to build superannuation savings, reducing the risk of financial insecurity in retirement.
- Greater participation of women in the workforce also helps to reduce the gender pay gap over time, contributing to more equitable family dynamics and financial independence for women.

ECONOMIC GROWTH

- On a macroeconomic level, increased female labour force participation contributes to economic growth and higher taxes, which can indirectly benefit families through improved public services and infrastructure.
- A larger and more diverse workforce also enhances overall productivity and economic output. Studies have shown that higher female labour force participation can significantly boost GDP.
- Women returning to the workforce in particular can help address labour market gaps, particularly in industries like healthcare, education, and professional services, which are critical for economic stability.

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 (particularly in Holmview near the subject site), demand will only increase further in coming years.
- There is sufficient existing unmet demand and forecast demand growth to support the proposed development (at 102 places). 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 greatly improve local childcare choice, availability and amenity.
- 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 lack of convenient local childcare options.
- 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 local catchment offers families very limited choice and residents of Holmview have no real choice in local childcare options.
- The location will cater to the growing residential community in Holmview and its location next door to a new primary school 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 Holmview 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 comparatively small scale (102 places); will contribute a high-level of amenity to local families; is located in an appropriate and accessible location next to a proposed new primary school, and will not compromise the role or function of other centre-zoned land in Holmview or Bahrs Scrub.
- There is inadequate provision under the current Logan City Plan to accommodate for additional childcare on other appropriately-zoned (centre) locations (of which there is only one - that is unavailable or inappropriate 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 childcare at this Local Centre. Indeed, it's expected that additional childcare will be needed to support the growing community in Holmview and Bahrs Scrub as soon as 2031.

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 (June 2025), there is only one (1) existing long day care centre in the local catchment supplying a total of 136 places to an estimated market of 929 children under 5. This represents a very high ratio of 6.83 children under 5 per childcare place (compared to the Queensland average of 1.9:1).

Supply is insufficient to meet demand and local families have no real choice or options. This indicates an UNDERSUPPLIED market in which demand EXCEEDS supply.

It's Business Geographic's view that there is a strong and overriding need for additional childcare in this market and the proposed development at the subject site represents a highly reasonable and appropriate response to this need.

Whilst a new 150-place centre (Shapes Early Learning) is due to open in Bahrs Scrub later this year, it's Business Geographics view that there is more than sufficient underlying unmet demand (and forecast demand growth) to support both this new centre and the proposed development at the subject site.

In summary, the proposed development would 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 development at a sustainable level; a community need – to the extent that the proposed facility 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 the proposed development that is not being adequately met by the planning scheme in its current form.

Whilst the proposed development requires a material change of use for the subject site, there are no other suitably zoned alternative sites in the local catchment available or appropriate to accommodate the proposed use. A local centre is proposed in the Brookhaven Masterplan however this will not be available for many years, and will not meet the immediate need for additional childcare in Holmview. Regardless, additional childcare will be needed in the future and the development of the subject site does not prejudice the potential future development of childcare in the Brookhaven local centre.

SUBJECT SITE

The proposed development is well located in a growing family-oriented residential neighbourhood. It's location adjoining the future Bahrs Scrub school (opening Term 1, 2027) is ideal and is highly desirable as it delivers significant benefits in terms of education, care and safety for children and families.

DEMAND FORECAST

The catchment has a positive outlook in terms of demand growth, considering the amount of residential development underway (and planned) in Holmview and Bahrs Scrub. The population of children under 5 in the local catchment is conservatively forecast to increase at a rate of 3.48% p.a. from 2025 to 2031 (net 194 children) - according to the latest 2023 edition of the Queensland Government population projections released by the Queensland Government Statistician's Office.

Population-driven demand is forecast to increase by an additional 75 - 112 places by 2031. (with demand growth expected to continue beyond this forecast horizon too as residential development continues in Holmview/Bahrs Scrub).

However, given the existing undersupply and latent unmet demand, there is significant potential to improve local childcare self-containment and activate demand from the existing resident population. Overall, if additional supply is made available, locally-serviced demand would be expected to increase by an additional 225 – 262 places per day by 2031.

NEED FOR ADDITIONAL PLACES

At current forecasts, it's therefore estimated the local catchment could sustainably support an additional 310 - 360 places to 2031 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.	%
Net Daily Demand for LDC	NIL	113	338	375	225 - 262	199.1% - 231.9%
Estimated Daily Supply of LDC	NIL	136	446	496	310 - 360	227.9% - 264.7%
Ratio of Children per Place	NA	6.83	2.52	2.26		
Average Estimated Occupancy Rate**	NA	83.09%	75.78%	75.60%		
Needs Assessment	**UNDERSUPPLIED (Demand Outflows)**	**UNDERSUPPLIED (Demand Outflows)**	**BALANCED**	**BALANCED**		

**2028 - This allows for population change to 2031 and assumes an increase in the supply of places by 310 - 360 places.*

*** Average Estimated Occupancy Rate across the entire Catchment. Average Occupancy Rates over 85% indicate some supply restriction, whilst rates below 70% suggest some oversupply. 75% is considered to be balanced.*

#Supply estimates prior to the opening of the 136-place Imagine Child Care and Kindergarten Holmview (2022).

**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.*

CHILDCARE DEVELOPMENT PIPELINE

The current approved development pipeline (total 150 places at the upcoming Shapes Early Learning Bahrs Scrub) falls well short of the forecast needs of the area (310 – 360 places). The development of the subject site (at 102 places) is well within the remaining forecast need of 160 – 210 places.

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 local centre in Brookhaven. In fact, under a high forecast scenario, there will still be a need for <u>at least</u> an additional 108 places by 2031 (with additional places needed in subsequent years to adequately service the longer-term needs of the community).

Overall, the proposed increase in places would be expected to deliver a net benefit to the local community. It would -

- Help to address the current undersupply 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 increase labour force participation (particularly for new mothers and fathers) and thereby deliver flow-on economic benefits to other businesses in the community from an increase in family incomes;
- Help to support the anticipated increase in demand due to population growth and recent changes in childcare subsidy eligibility. Specifically, the introduction of the the 3 day guarantee from January 2026 which according to modelling by the Productivity Commission will increase demand for ECEC by 10%.

In conclusion, 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.

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%.

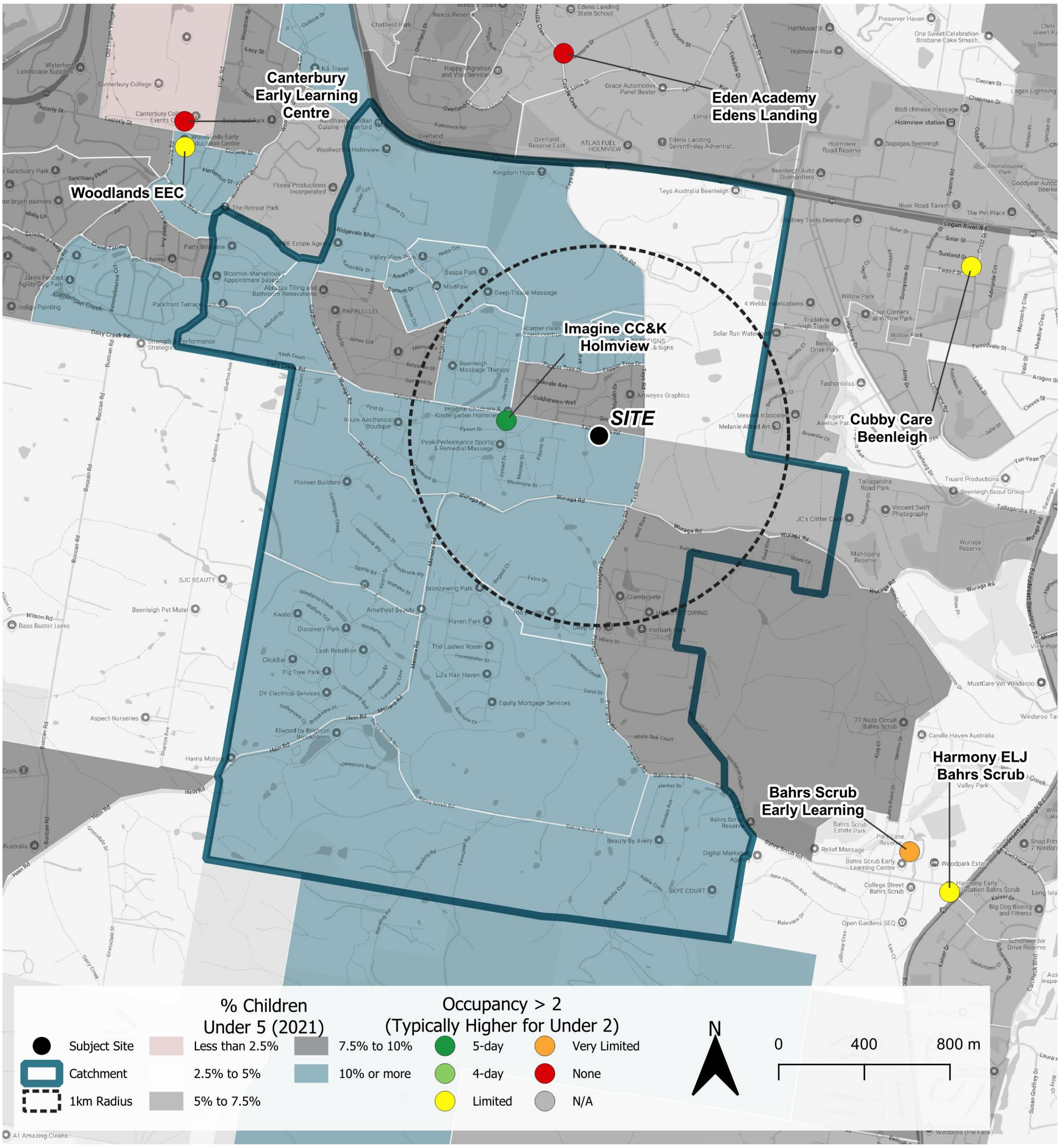
A centre that reports VACANCIES has one or more places available on all days for the nominated age group. Centres with VACANCIES will often have occupancy rates of less than 70%.

APPENDIX 3 – SPATIAL DEMAND INDICATORS

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

Children Aged Under 5

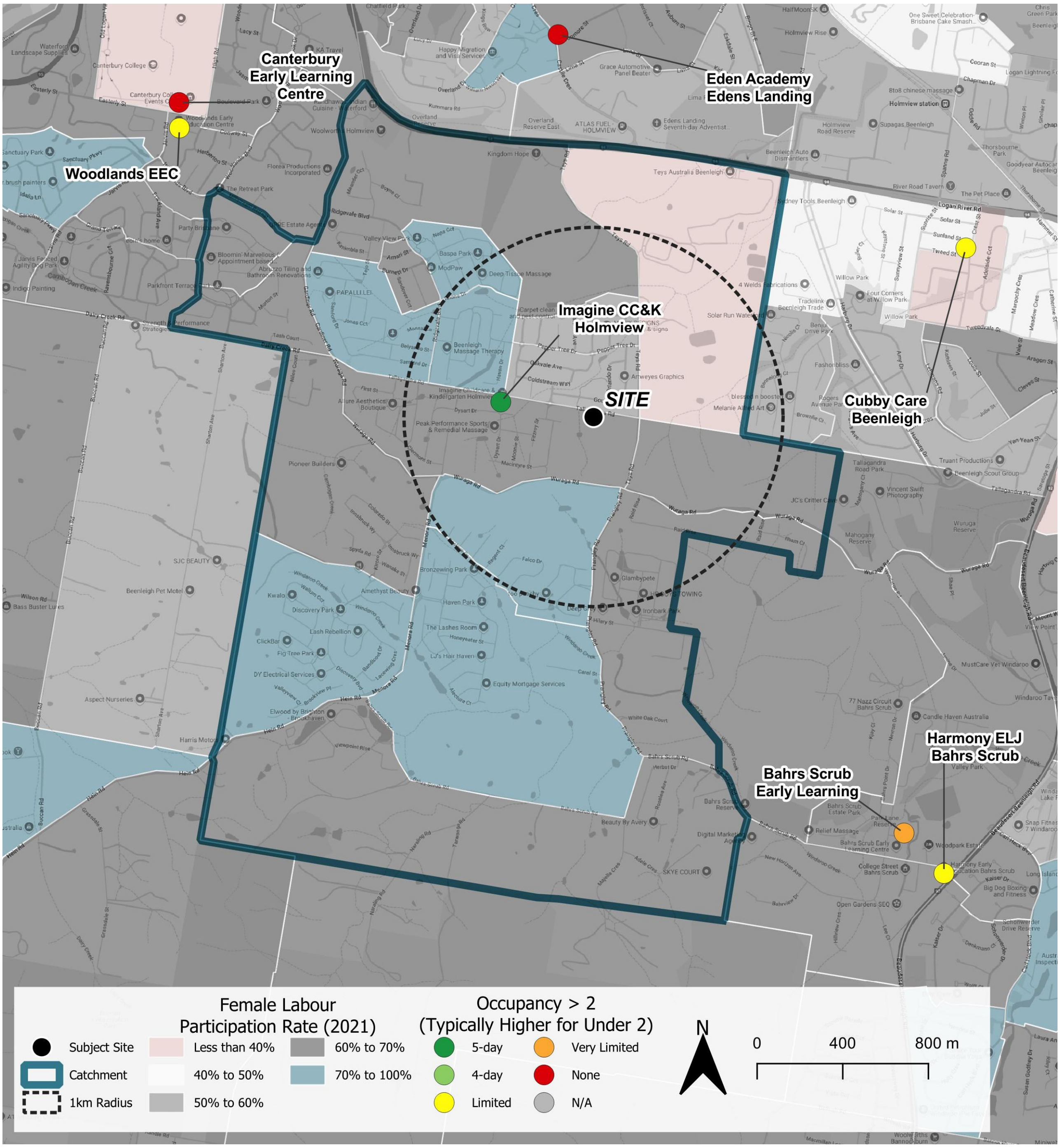
The local catchment currently (2025) has an estimated population of 929 children (under 5), which represents 11.23% of the total population. The map below shows their concentration by neighbourhood.



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.

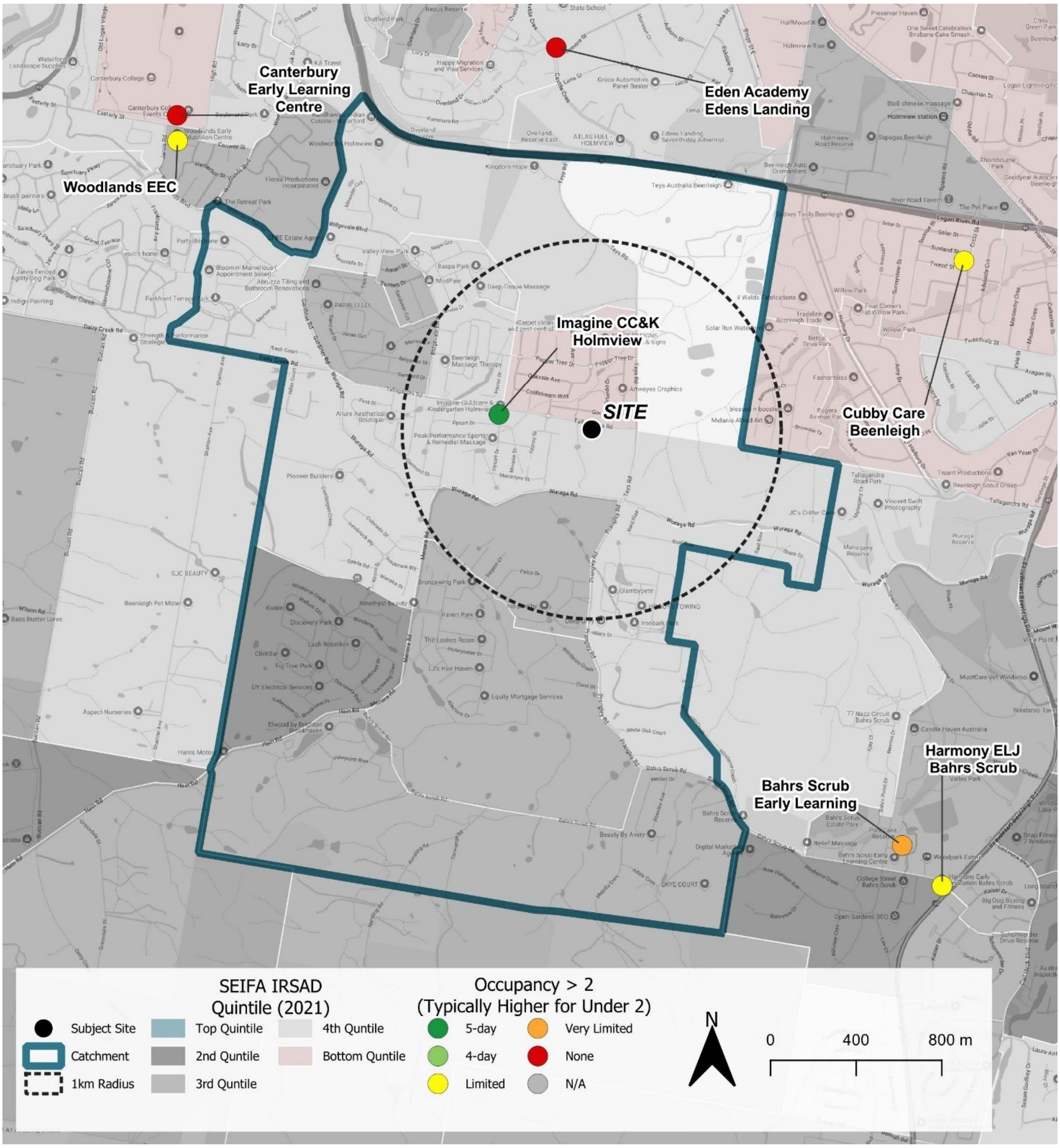
The map below highlights above average female labour force participation rates in the local catchment.



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).