QON No. 21

Legislative Assembly for the Australian Capital Territory
Select Committee on the Fiscal Sustainability of the ACT

Inquiry into the Fiscal Sustainability of the ACT

Answer to question on notice

Asked by: Miss Laura Nuttall MLA

Addressed to: Minister for Education and Early Childhood

Reference: Early Childhood Education and Care - Education

Hearing: 19 May 2026
In relation to: Early Childhood Education and Care - Education
Question received: 29 May 2026
Answer Due: 9 June 2026

Following the Education Directorate's Supply and Demand Analysis of the Early Childhood Education and Care sector, the ACT Government committed to "strengthening support for not-for-profit providers so that we can sustain a thriving and high-quality early childhood education and care sector."

a) What ongoing financial supports do existing not-for-profit providers receive from the ACT government?

b) What constraints, if any, does the ACT Government place upon for-profit providers in order to regulate the ECEC market?

c) What costings have been done around regulating the ECEC market to stop the proliferation of for-profit centres?

Ms Yvette Berry MLA: The answer to the Member's question is as follows:

a) The ACT Government supports not-for-profit providers through a mix of peppercorn, concessional and commercial lease arrangements on government owned land and in government own buildings.

The funding model for the universal Three-year-old preschool program encompasses both Fee Relief funding (passed on to families) and Program Funding, which providers can use to reinvest towards reasonable administration costs and quality uplift initiatives.

b) All providers of early childhood education and care (ECEC) services are required to comply with the *Education and Care Services National Law (ACT)* (the National Law) and the *Education and Care Services National Regulations* (the Regulations) regardless of provider type. No additional constraints are placed on for-profit providers.

The National Law and Regulations require ECEC providers to ensure the safety and wellbeing of children and deliver quality educational programs. Recent and ongoing changes to the National Law and Regulations through the Child Safety Reforms are strengthening these safeguards. This includes the introduction of the paramount consideration. This requires all providers and persons with management or control to make decisions related to the operation and delivery of ECEC, on the basis of children's safety, rights and best interests, above all other considerations.

The Australian Government's financial investment in ECEC under *Family Assistance Law* is an additional lever that shapes provider behaviour and is implemented exclusively by the Australian Government.

c) Economic policy, financial regulation and oversight of market settings in ECEC are functions of the Australian Government.

In relation to the approval of new ECEC services, Children's Education and Care Assurance (CECA), the ACT Regulatory Authority for ECEC, has authority to consider factors outlined in the National Law. This does not include provider management type but does include consideration of financial viability of the proposed service.

Approved for circulation to the Select Committee on the Fiscal Sustainability of the ACT.

Signature: Date: 10/06/26

By the Minister for Education and Early Childhood, Yvette Berry MLA