



**Early Childhood
Council**

submission on the

Education Amendment Bill (No 2)

February 2022

Simon Laube
Chief Executive Officer

P O Box 5649
90 The Terrace

Wellington

Ph: 0800 742 742



EDUCATION AMENDMENT BILL (No 2) SUBMISSION

PURPOSE

- 1 The Early Childhood Council considers the Government's approach to continue on the original 2019 timeline for implementation (from 1 August 2022) of the new network management function as unconscionable.
- 2 We expected protections to get added in the Bill so that some consideration for the COVID-19 pandemic would be given for the early childhood sector. Instead, not only has there been no consideration of the impact of COVID-19 now or indeed other emergencies in the future, the network management function has in fact been hardened and the pace of implementation has been left unchanged.
- 3 We are sharing our submission with the Law Society as the Early Childhood Council considers the potential burden on the judicial system has not been well considered.

INTRODUCTION

- 4 The Early Childhood Council welcomes the scrutiny of the Parliamentary Select Committee for Education & Workforce on the proposed new legislation.
- 5 In this case, the Early Childhood Council was not intending to submit on the Education Amendment Bill (No 2) until the Supplementary Order Paper became available and it became clear that significant changes to affect the new network management policy were taking place, and that the direction of the changes to legislation would be likely to worsen the overall approach, cause collateral harm to early childhood operators and weaken the original policy objectives that Government relied on to justify the original legislation.
- 6 It cannot have escaped the Committee's notice that it is itself engaged in leading a public consultation process while the entire country is gripped by the latest wave in the COVID-19 pandemic. Case numbers have reached over 1,000 per day – the highest in New Zealand since the pandemic began in 2020. The Ministry of Education itself undertook a public consultation process in 2021, also during the COVID-19 pandemic.

Daily confirmed and probable cases



New COVID-19 cases reported each day



- 7 We are the largest representative body of quality, licensed early childhood centres in New Zealand. Our over 800 members own and operate over 1,400 early childhood centres. Many are directly impacted by the proposed network management approach.
- 8 The early childhood sector has been fully-focused on responding to the COVID-19 pandemic – this includes complying with urgent legislation that directly impacted our members operations through policies like mandatory vaccination and the new COVID-19 Protection Framework. There has been a relentless series of emergency legislation that has required our urgent attention – in the form of Health Orders and guidance from departments around the public health measures that apply for early childhood centres. We have looked to ensure that the public health objectives are met in all early childhood centres, and supported these initiatives as best we can. Meanwhile the building industry has been impacted by supply line delays – with broad impacts on most current building projects.
- 9 We broadly support the range of ways individuals and entities will now be checked before they can licence. We do not support the way network management is being implemented.

Network Management

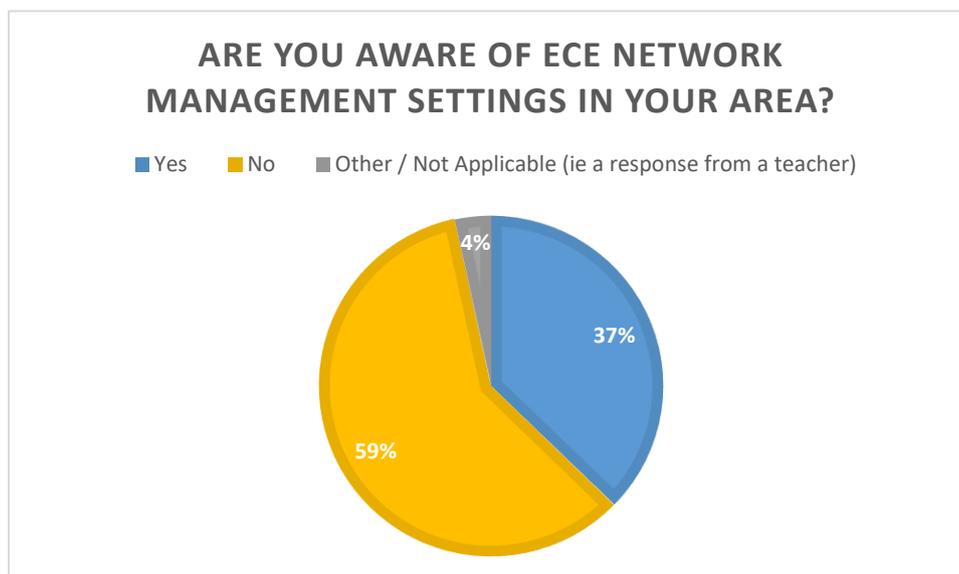
- 10 A network management policy was included in the Early Learning Action Plan (2019-2029) released in December 2019. This plan indicated active network management in the “medium term” (p.39 refers). Medium term is quite vague – but usually this means somewhere in the middle, like 2024.
- 11 The Early Childhood Council conducted a survey to test the concerns we had identified in relation to network management. Our survey ran from 6 February to 15 February 2022. We received 60 survey responses from the 8712 stakeholders we contacted (including all early childhood services across New Zealand).
- 12 The ECC has led engagement across the ECC membership, conducted surveys, webinars and established a network management Working Group. The ECC’s Working Group we assembled includes individuals who are specialist centre designers, architects, planners as well as centre owners with nearly 20 new centres between them that are impacted by the 1 August 2022 deadline (with no transition process).
- 13 Section 17 of the Education and Training Act 2020 (the Act) introduced the new two-step process for the pre-licensing and licensing of new early learning services. It requires a person or entity wishing to build a licenced early childhood service to apply to the Minister of Education for approval in the first instance (pre-licensing). There is a test of the individuals involved and network analysis relating to the envisaged new service. The subsequent application for a licence is to be submitted once a service is ready to operate.
- 14 The Act received Royal assent on 31 July 2020. However, ss17 and 18 of the Act do not come into force until 1 August 2022. We understand the Government’s position is that these dates above have created a two-year transition period for the sector. **We strongly disagree that the legislation timings above created a transition process at all.**
- 15 Government regulation determines how markets can operate. New functions that effectively seek to partially control market access (like network management) need to be implemented without undue urgency. For example, best practice would include publishing the network prioritisation process at least two years before the 1 August 2022 deadline, as this information is critical to the people and groups who are seeking to establish new centres.
- 16 The Early Childhood Council has been contacted by a considerable number of concerned members and non-members alike, who have already been adversely affected. Our primary concern is therefore the lack of a transition process, coupled with the practical impossibility



of making the deadline of 1 August 2022, particularly in light of the ongoing COVID-19 pandemic.

Inadequate consultation / lack of transition process

- 17 The ECC considers the network management consultation process has been inadequate.
- 18 We are not aware of any public awareness activities by the government whatsoever to inform people who may have been contemplating establishing a new early childhood centre in the period 2019 to 2022. Current early learning providers would have had reasonable visibility that network management was coming in the future, but as no specific detail has been made available publicly, there is no opportunity for people undertaking current projects to assess the potential network implications to their project. This creates uncertainty. In the absence of certainty, high-priority projects in areas that become priorities for the Government may have already been stopped. Others, in areas that do not become priorities for the Government may still be going. We know that many centre owners come from the early childhood sector – there are many centre managers who used to be qualified ECE teachers. The small business owners tend to be personally more exposed to financial risks.
- 19 Some of the respondents to our survey process had not heard about network management until they received our survey.



Comments provided by survey respondents

- *I am aware of the broad view of managing the network but no specifics and how we will meet criteria and it feels all projects need to be on hold- any new possible centres we wish to look at considering*
- *We are currently building a new centre and have no information on how to meet the new network management conditions for approval. We have resource consent and building consent but will not be finished by 1 August*
- *Are these available somewhere?*
- *Have they been published?*
- *No, but I have now looked it up on the Ministry website and read through the intention.*
- *I am aware of that ECE Network Management settings requirements but not the specifics for this part of the criteria: "there is a need for a new service of the type and location you are offering"*
- *I am aware that there are settings and the rough outline of what these are. However I'm not 100% clear on how these will be satisfied/ justified and what part we play as owners in the conversation or if it will be a tick box situation.*

- 20 We recommend a transition process is introduced to protect individuals and groups that are already irreversibly determined to a particular network location.
- 21 Alternatively the Commencement Date for network management provisions should be deferred by at least one year. We recommend to 1 August 2024 as this remains aligned to the Early Learning Action Plan.
- 22 The Supplementary Order Paper's change to section 17(2)(g) further increases uncertainty for pre-licensing applicants, by creating powers for the Minister that are too broad (Annex 1 refers).

Two year timeframe

- 23 In our survey process we asked about whether the 2 year time period was satisfactory for the purpose of establishing a new centre. What we conclude is that a single period or date is not possible to determine. There are too many factors that have too large a bearing on this. For example, as you can see from some of the comments we received, there were quite a few people who were confident in their own ability to establish in periods of less than a year. However, such projects would be house-conversions for less than 50 place centres – much smaller scale than purpose-built 150 place centres.

Comments provided by survey respondents

- *it's so variable. The last two took probably 18 months or longer.. perhaps 2 yrs. the current ones are already over a year into planning, one is part built, one is in processing, but so much investment has already been made and bout to be renovated... both need all resources and playgrounds still completed, we are very behind schedule due to covid.*
- *It would depend on the particular context. Every one will be different. It would not be expected to be less than one year.*
- *Minimum 18-36 months for whole process.*
- *2 years minimum - broken down into approximately 10 months for a high quality build, 6 months for resource consents and 4 months for build consents. Balance in delays (be it financing, resourcing, licensing etc)*
- *A minimum of 2 years to 3 years*
- *3/4 years is realistic I have no idea where they plucked 2 years from There will be no banking provisions because of the associated issues with 2 year approvals the banks are already indicating this as a problem it's a huge consequence of the policy*
- *3-5 years to locate appropriate land to licensing.*
- *3 years in a good market not in a COVID overlaid market Omicron isolation coming - with potentially 25% of the workforce being absent from work*
- *3 years from RC, purchase land, BC to apply for license*
- *It took 5 years from connect application. Enviro court hearing building consent approval and securing builders.*
- *It will take us at least one year and perhaps two to work out way through this process as we are within a larger organisation that does move quickly.*
- *It took us 12 weeks from purchasing an old house to renovating and transforming and opening.*
- *I think it should be well thought out and in line with population planning etc in towns/cities/settings which could sit nicely in short term strategic planning of 12months-3years, indicated generally at the 10 year plan stage.*

- 24 We note also that a lot of people thought about the timeframe in terms of being a minimum period. In other words, they were automatically distinguishing planning theory from reality and commenting with a minimum. However, the current Act imposes a maximum of two years. This is entirely unsuited to its present purpose.



25 Delays are inevitable and can arise from a multitude of factors, for example through:

- Resource consenting processes
- Ministry of Health intersecting requirements
- Environmental Court engagement
- Financing
- Supply chain issues – specifically throughout COVID-19.

26 Alternatively the timeframe could be a range – which we suggest is 3 to 4 years. We see no benefit having a low maximum limit like 2 years. In terms of unintended consequences, a low maximum limit will favour smaller, simpler centres. It will discourage the more time-consuming larger projects. Environmental and sustainably designed new centres rely on materials and build conditions and times that a low maximum time limit will disincentivise.

27 Annex 1 includes proposed changes to the Bill to either delay Commencement or provide a new date of 1 January 2022 as a cut-off to help protect some, but not all, providers that are currently caught by the 1 August 2022 date.

How to measure the start of a project

28 During our Working Group discussions we identified that in terms of administrative burden and practicality around implementation, the pre-licensing step could instead be integrated with the Local Government resource consent process. Neither pre-licensing or resource consent is meaningful but together an integrated process could work well. This would mean that projects that received pre-licensing and resource consent could proceed with less burden on the individual or group seeking to establish the centre.

29 The people we engaged with who are currently establishing new centres had variable timelines. In terms of risk, there was considerable discussion about the centres being established where external investment was being relied on. Costs sunk into projects prior to the pre-licensing process would become disincentives for new centres. No longer can you plan and then rely on being able to meet the licensing conditions, you may not get pre-approval. From an investor's point of view, the risk has increased. Again this will be a disincentive for larger, more complicated new builds because they are more costly.

30 Below is an overview of a sample of recent centres established showing planned and actual dates (total days) that applied. Centre names have been anonymised to protect commercial sensitivity.

Sample of recent early childhood centres, by region planned and actually spent in establishing (n=11)							
		Ave Months	Years	Planned Days	Total Days	Difference (days)	Difference (%)
Centre A	Hamilton	46.19	3.85	580	1,400	820	141%
Centre B	Auckland	28.57	2.38	304	866	562	185%
Centre C	Auckland	46.26	3.85	1,257	1,402	145	12%
Centre D	Auckland	54.21	4.52	608	1,643	1,035	170%
Centre E	Auckland	55.36	4.61	678	1,678	1,000	147%
Centre F	Auckland	41.93	3.49	602	1,271	669	111%
Centre G	Northland	58.13	4.84	761	1,762	1,001	132%
Centre H	Cambridge	14.45	1.20	276	438	162	59%
Centre I	Christchurch	20.09	1.67	300	609	309	103%
Centre J	Blenheim	14.45	1.20	130	438	308	237%
Centre K	Auckland	89.77	7.48	1,338	2,721	1,383	103%
Averages		42.7	3.6	621.3	1293.5	672.2	



31 During this process we were able to break down all the centres currently being established or recently opened looking at these key stages (in general, to what extent a stage may be challenging is different depending on the centre):

- First concept (not firm plans, no risk)
- Design started
- Resource consents lodged (if applicable)
- Resource consents approved (if applicable)
- Building consents lodged (if applicable)
- Building consents approved (if applicable)
- Tenders
- Building contracts signed (if applicable)
- Construction activity starts (if applicable)
- Construction Completion Date (if applicable)

Government infrastructure projects another external factor

32 We have another ECC member impacted in Lower Hutt where the Regional Council is currently taking steps to acquire land for the Melling Interchange project. One early childhood centre that has been popular previously is in the process of relocating to another site. A multi-million dollar new centre is to be built but there is no certainty about whether or not it will meet the regional network management criteria. In addition, Ministry officials have implied that Lower Hutt has too many centres already so the pre-licensing process could be an issue.

33 This example illustrates that even existing providers are being caught by the current (and amended) pre-licensing process. In this case, the group has been forced to move their centre by other legislation for the purpose of roading infrastructure. The new site requires a new licence, you cannot transfer an existing licence to a new site.

34 There should be no discussions in relation to what may or may not constitute a network priority by public officials now at all – as it may wrongly appear as part of the network analysis determination which has not yet been created or commenced. This situation could be alleviated either with the adoption of the ECC's new transition process or through an exemption process for groups faced with significant unexpected external events.

Undue burden on community providers

35 During our Working Group discussions we noted that the larger providers that operate networks of centres have advantages over new entrants to the market. Ironically, the smaller operators are disadvantaged as they tend to have lesser capability and lack the inside knowledge about how the early learning sector works. We equated the level of disadvantage to a time penalty for community providers seeking to enter with network management, or a time advantage for those with groups of centres. The ECC questions the Government's overall approach to network management as we don't think it has achieved its objectives fairly considering that community-based providers form a critically important part of New Zealand's diversity of early learning provision. We are in danger of lessening this valuable, and richly diverse, part of the sector.

Two-year extension proposed

36 We do not support the limited 2 year extension in proposed s17B(2-3). Under the proposed provisions, the Minister can only extend a pre-approval by up to two additional years if exceptional circumstances apply. Exceptional is too high a threshold and the term



'exceptional' should be replaced by 'special.' Further, the proposed maximum extension to a cumulative period of no greater than four years is not acceptable. The proposed provision prevents the Minister from considering any greater than a four-year period in which to obtain a licence for services. This means that even where exceptional circumstances apply, a period of greater than four years cannot be applied. The Minister should be given the discretion to specify the lapse period to six years should special circumstances apply.

37 Failure to adopt these changes will result in additional administrative time and costs for both applicants and the Ministry with no net positive benefits. The proposed change provides a pragmatic approach and provides the Minister with discretion on the lapse period of applications that fall into the 'exceptional/special' circumstances category.

Confidence in the Ministry to manage the network

38 In the ECC survey we asked people how confident they were in the Ministry of Education's ability in relation to do the network management and individual checks required. We expected network management to show lower confidence but the data is mixed at best. There was more confidence in the Ministry's ability to do individual checks than perform the new function around network management. The zero-confidence individuals were largely consistent between both questions.

Confidence in Ministry of Education abilities with the functional changes (n=58)			
	Average	Median	Mode
Q1 How confident are you in the Ministry of Education's ability to regulate individuals who apply for licences? (100=full confidence)	46.9	50	0
Q2 How confident are you in the Ministry of Education's ability to predict where network capacity is required and to decide fairly, considering the diversity of ECE options that could be made available? (100=full confidence)	43.1	49	50

Comments provided by survey respondents (n=35) (Q1 answer/Q2 answer)

- *From my experience MOE comes up with rules and regulations but has never been successful in ensuring they are implemented correctly at all time. There are also many rules open to interpretation which leaves loop holes in them (30/30)*
- *There should be clear expectations set around time frames, e.g 20 working days. (70/70)*
- *Through regular open lines of communication email or phone. (78/67)*
- *They cannot consistently manage consistently across regional office. They don't have access to the appropriate data children do not necessarily attend where they live it could be close to their employment. They will literally stuff up new developing communities while they grapple with how to do it (60/40)*
- *I think I would like for more representatives from the Ministry of Education to work with New Centre Owners to get these approvals processed quickly. One representative for each region is just not enough and I think this has been a big problem. I would also like to see more representatives from all cultural backgrounds working with New Owners. If we are to promote a more bicultural teaching and learning in all ECE Centres, then I would prefer to work with either a Maori or Pasifika representative from the Ministry of Education. People's preferences should be considered in today's multicultural society. I am a Pacific Island ECE Owner and I would have preferred to work with a Maori or Pacific Island representative from the Ministry of Education because that's my preference. (90/90)*
- *They need to engage more staff, who are knowledgeable and efficient - this is not currently the case. (0/0)*



- *With clear guidelines and timeframes. Understanding that these decisions have huge financial implications. Understanding that these Government / Private partnerships need collaboration. (50/50)*
- *The MOE need a speedy and easy to understand process that has a maximum time limit associated with it. (30/0)*
- *There should be some sort of portal allowing an applicant to follow how an application is proceeding, communicate with MOE, upload any documentation required and record all progress, questions and timing. (75/80)*

39 The ECC's view is that as the details of the network analysis approach has not yet been shared, it requires a significant "leap of faith" to have confidence that any new process would be workable. Obvious problems with a new network management function include:

- 39.1 Over-reliance on parental preferences for centre locations near residential areas when many parents may prefer locations near workplaces (so fewer services in suburbs and more in central areas, including travel hubs).
- 39.2 Lack of a fair process for the Ministry to choose between types of providers – how to choose between a kōhanga reo, English-medium centre, or specialised institutions (for example, the potential for internationally leading centres and integrated social hubs).

Minister's ability to revoke pre-licensing approval

40 ECC members are particularly concerned about the consequences of proposed s17A. This section states:

(1) When approving an application to apply for a licence to operate a licensed early childhood service, the Minister may impose conditions on the approval as the Minister thinks fit, including conditions—

(a) relating to the nature, capacity, or location of the proposed Service...

(2) The Minister may at any time—

(a) impose new conditions on the approval; or

(b) amend or revoke any existing conditions.

41 This results in too much uncertainty for applicants. For example, an applicant could be granted a pre-approval for a new service of 60 children, complete the design and then began construction for a building to accommodate 60 children. The Minister could then "at any time... impose, amend or revoke" any condition – including those relating to the size of the service. Any such changes may change a service from being viable to financially impossible to run.

42 The ability to impose new and amend or revoke existing conditions at anytime in the process creates too much uncertainty and makes it very difficult for applicants to proceed with any confidence. The unintended consequences of these provisions may result in further difficulty for high-quality service providers to access the required capital to deliver new services in areas where the need is high.

43 As such, we recommend that a new process be provided for in the Act that allows an applicant to challenge decisions relating to the imposition, amendment or revocation of any condition under s17A.

Lack of clarity around how to deal with decoy preapprovals or blockers

44 There is no clear regime about how to deal with over-saturation of pre-approvals. Without a clear legislative process for determining the best applicant, our assumption is that the



first to apply will effectively be able to “hold the space” (ie in the network). That approach could further shut out lower capability providers, a bit like the situation we saw with the first MIQ booking system where spots in that system became highly sought after and very difficult for regular people to obtain (due in large part to weaknesses in the allocation system itself, not just over-demand).

Lack of ability to transfer pre-licensee status during the establishment process

45 It may be necessary for an individual who has made a pre-licensing application to withdraw and be replaced by another individual. Allowance needs to be made so this can happen. There are many reasonable situations where this could be necessary – for example in an accident or due to a health issue. We think the current legislative approach has confused the strengthened checks on individuals (which ECC supports) with network management. The ECC does not consider both strengthened checks on individuals and network management as integrated approaches – they should be considered standalone (Annex 1 refers further).

Lack of clarity about access to early learning sites on Crown Land

46 During our consultation process we were asked whether the Ministry would be itself complying with the network management regime. New school sites include space for an early learning site where possible (regardless of network analysis). However, a transparent process of selecting who establishes the early learning centre on those sites is required.

Other matters in the Education Amendment Bill (No 2) – support for a Teaching Council amendment (not related to network management)

47 The Early Childhood Council supports the proposed amendments to the disciplinary regime for teachers. In particular, Clause 39 amends section 497 to raise the threshold for the mandatory referral of cases from the Complaints Assessment committee to the Disciplinary Tribunal so that the mandatory referral occurs when the Disciplinary Tribunal is likely to need to consider suspending or cancelling a teacher’s registration, practising certificate, or authority to teach.

48 The amendment enables the Complaints Assessment Committee to resolve cases that meet the definition of serious misconduct, which currently must be considered by the Tribunal. The clause also removes the requirement for the teacher and the initiator of the complaint to reach an agreement in order for the Committee to have jurisdiction over the matter. We support this change because we understand the balance of cases going to the Tribunal is too high, creating high costs that are avoidable. Due to a complete lack of Government funding, all the disciplinary costs are likely to be passed on to teachers through new levies – so it becomes even more important to fix this. We support the change because it is a better efficiency and doesn’t compromise on the high standards of professional conduct that remains expected.

Submission authorised by: Simon Laube, Chief Executive Officer, Early Childhood Council



Network Management Working Group members:

- **Hamish Davidson** (Puddleducks and ECC Exec member)
- **Phil Smith** (Collingridge and Smith Architects - CASA)
- **Logan Whitelaw** (Kindello Co-founder)
- **Steve Piper** (Director- Co kids limited)
- **Rrahul Dosshi** (The Rainbow Corner Group)



Annex 1: Suggested changes to Bill provisions or new provisions

Insert new section: 17(8) – Processing Timeframes.

Proposed Text:

Applications made under s17 of the Act shall be processed and a decision issued within 10 working days of the application having been accepted for processing by the Ministry of Education.

Reason:

Adding a network planning approval step into the licensing process will result in further time delays in the establishment of new centres. To mitigate this, there must be established timeframes for the processing of applications. If these parties need to seek the Ministers approval for a location pre-purchase, the time for such approval will be a critical element. Sourcing of land suitable for early learning services is a challenge in the current environment. Factors include proximity to neighbours, local authority zoning restrictions, land price and competition from residential developers. Adding a location approval process would slow the development process further, meaning opportunities for more suitable sites on the market would be missed. Currently, service providers and their development partners have to make a property purchase decision within a short timeframe (often 10 working days), to avoid missing out on the most suitable land opportunities. During this period, due diligence work is carried out and an internal community needs assessment/supply and demand analysis is undertaken. Any extension to this timeline through an additional licensing step would mean that development opportunities are lost. This would be counterproductive and would lead to a lack of supply where it was needed most.

Remove section 17(2)(g).

This section states:

- (2) The Minister may grant approval, but, before doing so, must take into account— ...*
- (g) any other matter that the Minister considers is relevant to the Application.*

‘Any other matter‘ is too broad to provide any guidance or certainty for applicants. It is recommend that this clause be removed as s17(2)(a-h) cover the matters relevant for making a determination under s17(2).

Amend section 17(3)

Proposed s17(3) states:

- (3) If the Minister considers information referred to in subsection (2) is insufficient to decide whether to grant approval, the Minister may—*
 - (a) ask the applicant to supply more information;*
 - (b) ask an individual or entity other than the applicant to supply any information that the Minister considers relevant to the Application.*

This section needs to be amended to specify the number of time further infromation can be requested and limit the individuals or entities that can be asked for information. We recommend the following amendments (additions underlined):

- (3) If the Minister considers information referred to in subsection (2) is insufficient to decide whether to grant approval, the Minister may—*
 - (a) ask the applicant to supply more information no more than one time during the processing of the application;*



(b) ask an individual or entity other than the applicant or any other early learning provider that could be considered to be trade competition to supply any information that the Minister considers relevant to the Application.

These amendment help to ensure that further information requests are timely and focussed and do not significantly slow the processing of applications. They also ensure the perception of anti competitive behaviour is avoided in decisions relating to pre-approvals.

Amend section 17(7)(b)

(7) If the Minister grants approval to an applicant,— ...

(b) that approval cannot be transferred to another individual or Entity.

There needs to be a process where a pre-approval holder can transfer approval to another individual or entity. This would apply in the situation where a group or services is being purchased by another entity and an early learning development (including land, design, resource consent, building etc) that is yet to be completed is part of the acquisition. Not proving for any transfer means that all investment that has occurred between the grant of pre-approval and before a licence application has no value.

We agree that a transfer of approval should be subject to approval, but believe that the matters that should be considered are already covered in s17 and s18 of the Act. As such, we proposed the following amendment:

(7) If the Minister grants approval to an applicant,— ...

(b) that approval cannot be transferred to another individual or Entity without the approval of the Minister;

(c) Requests under s17(7)(b) shall be made in written form and submitted to the Minister. The Minister, in determining whether to permit such transfer, shall restrict their decision to matters contained with s17 and 18 of this Act.

Amend – Schedule 1

77A Transitional provision relating to applications for licences to operate early childhood services

(1) This clause applies to an application for a licence under the Education

(Early Childhood Services) Regulations 2008—

(a) that is made before the date on which sections 17 to 18C come into force; and

(b) in relation to which the requirements of those regulations for the provision of information and evidence relating to the application have been met.

(2) This clause applies to any new early learning service project that has either lodged (and has had accepted for processing) a resource consent application or (where no resource consent is required) a building consent application with the relevant consenting Authority by 1 January 2022. Provided that, where the above conditions are met, the applicant can demonstrate that progress is being made toward the consents being obtained.



(3) Sections 17 to 18C do not apply to the application.

This amendment allows early learning projects that have committed significant capital to continue without the need for pre-approval. This Ministry can easily obtain the data on each of these projects across the country and can factor these in as part of any Regional or National Statement.

Amend section 2 - Commencement

To ensure that the proposed changes do not significantly adversely affect the early learning sector and the children and families it serves, we propose that s17 and 18 of the Act come into force on 1 August 2024. As such, the proposed amendment below is required:

2 Commencement

- (1) *Sections 17 and 18 come into force on the earlier of the following:*
- (a) a date appointed by the Governor-General by Order in Council:*
 - (b) the day that is ~~two~~ four years after the date on which this Act receives the Royal assent.*

