



Early Childhood Education and Care (Three Day Guarantee) Act 2025

No. 12, 2025

**An Act to amend the law in relation to child care
subsidy, and for related purposes**

Note: An electronic version of this Act is available on the Federal Register of Legislation
(<https://www.legislation.gov.au/>)

Contents

1	Short title.....	1
2	Commencement	2
3	Schedules	2
Schedule 1—Amendments		3
	<i>A New Tax System (Family Assistance) Act 1999</i>	3
	<i>A New Tax System (Family Assistance) (Administration) Act 1999</i>	10
Schedule 2—Application, saving and transitional provisions		11



Early Childhood Education and Care (Three Day Guarantee) Act 2025

No. 12, 2025

An Act to amend the law in relation to child care subsidy, and for related purposes

[Assented to 20 February 2025]

The Parliament of Australia enacts:

1 Short title

This Act is the *Early Childhood Education and Care (Three Day Guarantee) Act 2025*.

No. 12, 2025 *Early Childhood Education and Care (Three Day Guarantee) Act 2025* 1

2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this Act	The later of: (a) 1 January 2026; and (b) the day after this Act receives the Royal Assent.	1 January 2026 (paragraph (a) applies)

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedules

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Amendments

A New Tax System (Family Assistance) Act 1999

1 Subsection 3(1)

Insert:

3 day guarantee has the meaning given by subclause 11(1A) of Schedule 2.

2 Subsection 3(1) (definition of *activity test result*)

Repeal the definition.

3 Subsection 3(1) (definition of *deemed activity test result*)

Repeal the definition.

4 Subsection 3(1)

Insert:

deemed subsidised hours has the meaning given by clause 16 of Schedule 2.

5 Subsection 3(1)

Insert:

increased hours result has the meaning given by subclause 12(1) of Schedule 2.

6 Subsection 3(1) (definition of *low income result*)

Repeal the definition.

7 Subsection 3(1) (definition of *recognised activity*)

Repeal the definition.

8 Subsection 3(1) (definition of *recognised activity result*)

Repeal the definition.

9 Subsection 3(1)

Insert:

recognised participation type has the meaning given by subclause 12(2) of Schedule 2.

subsidised hours has the meaning given by subclause 11(1) of Schedule 2.

10 Clause 1 of Schedule 2 (method statement, step 1)

Omit “individual’s activity test result”, substitute “individual’s subsidised hours”.

11 Clause 1 of Schedule 2 (method statement, step 1)

Omit:

If the activity test result is zero, the amount of child care subsidy for the individual for the week, for the sessions of care provided by the service to the child, is nil.

Otherwise, go to step 3.

12 Clause 1 of Schedule 2 (method statement, step 5, paragraph (a))

Omit “activity-tested”, substitute “basic subsidy”.

13 Clause 1 of Schedule 2 (method statement, step 5, paragraph (b))

Omit “activity-tested”, substitute “subsidy”.

14 Clause 1 of Schedule 2 (method statement, step 6)

Omit “activity-tested”, substitute “basic subsidy”.

15 Clause 1 of Schedule 2 (method statement, step 7)

Omit “activity-tested”, substitute “subsidy”.

16 Clause 4 of Schedule 2 (heading)

Omit “Activity-tested amount”, substitute “Basic subsidy amount”.

17 Subclause 4(1) of Schedule 2

Omit “*activity-tested amount*”, substitute “*basic subsidy amount*”.

18 Subparagraph 4(1)(a)(i) of Schedule 2

Omit “activity test result”, substitute “subsidised hours”.

19 Subclause 4(2) of Schedule 2

Omit “activity test result” (wherever occurring), substitute “subsidised hours”.

20 Clause 4A of Schedule 2 (heading)

Repeal the heading, substitute:

4A Adjusted subsidy amount of CCS

21 Paragraph 4A(1)(a) of Schedule 2

Omit “activity-tested”, substitute “basic subsidy”.

22 Subclause 4A(2) of Schedule 2

Omit “*adjusted activity-tested amount*”, substitute “*adjusted subsidy amount*”.

23 Paragraphs 4A(2)(a) and (b) of Schedule 2

Omit “activity-tested”, substitute “basic subsidy”.

24 Clause 8 of Schedule 2 (method statement, step 1)

Omit “activity test result”, substitute “subsidised hours”.

25 Clause 8 of Schedule 2 (method statement, steps 4 and 5)

Omit “activity-tested”, substitute “basic subsidy”.

26 Clause 10 of Schedule 2 (heading)

Omit “Activity-tested”, substitute “Basic subsidy”.

27 Subclause 10(1) of Schedule 2

Omit “*activity-tested amount*”, substitute “*basic subsidy amount*”.

28 Paragraph 10(1)(a) of Schedule 2

Omit “activity test result”, substitute “subsidised hours”.

29 Subclause 10(2) of Schedule 2

Omit “activity test result” (wherever occurring), substitute “subsidised hours”.

30 Part 5 of Schedule 2 (heading)

Repeal the heading, substitute:

Part 5—Subsidised hours

31 Division 1 of Part 5 of Schedule 2 (heading)

Repeal the heading, substitute:

Division 1—Individual’s subsidised hours

32 Clause 11 of Schedule 2 (heading)

Omit “activity test result”, substitute “subsidised hours”.

33 Subclause 11(1) of Schedule 2

Repeal the subclause, substitute:

- (1) For the purposes of working out an amount of CCS or ACCS for an individual in relation to sessions of care provided to a child, an individual’s *subsidised hours*, in relation to the child, for a CCS fortnight is:
 - (a) the highest of:
 - (i) the 3 day guarantee (see subclause (1A)); and
 - (ii) any other result specified in an item of the table in subclause (1B) for the amount that applies to the individual in relation to the child; or
 - (b) if the individual is a member of a couple on the first day of the CCS fortnight—the lower of the following:
 - (i) the result worked out in accordance with paragraph (a) for the individual in relation to the child;

- (ii) the result worked out in accordance with paragraph (a) for the individual's partner in relation to the child.

3 day guarantee

- (1A) The **3 day guarantee** for an individual for a CCS fortnight, in relation to any child, is 72.

Results that increase subsidised hours

- (1B) This subclause specifies other results for an amount of CCS or ACCS for the purposes of subparagraph (1)(a)(ii).

Results that increase subsidised hours

Item	Results for amount of CCS	Results for amount of ACCS (child wellbeing), ACCS (temporary financial hardship) or ACCS (grandparent)	Results for amount of ACCS (transition to work)
1	increased hours result in clause 12	100	increased hours result in clause 12
2	Minister's rules result in clause 14	Minister's rules result in clause 14	Minister's rules result in clause 14
3	child wellbeing result in clause 15		child wellbeing result in clause 15
4	exceptional circumstances result in this clause	exceptional circumstances result in this clause	exceptional circumstances result in this clause
5	Aboriginal or Torres Strait Islander child result in clause 15A		Aboriginal or Torres Strait Islander child result in clause 15A

Note: See subclause (5) for an individual eligible for both CCS and ACCS in the same CCS fortnight.

34 Subclause 11(5) of Schedule 2

Omit "activity test result" (wherever occurring), substitute "subsidised hours".

35 Clause 12 of Schedule 2 (heading)

Omit “Recognised activity”, substitute “Increased hours”.

36 Subclause 12(1) of Schedule 2

Repeal the subclause, substitute:

(1) The *increased hours result* is 100.

Note: The number of hours of a recognised participation type for an individual to be counted towards the increased hours result may be affected by Minister’s rules made for the purposes of subclause (4), or a Secretary’s determination made under subclause (5).

(1A) The increased hours result applies to an individual for a CCS fortnight if the individual engages in more than 48 hours of a recognised participation type in the CCS fortnight.

37 Subclause 12(2) of Schedule 2 (heading)

Omit “*recognised activity*”, substitute “*a recognised participation type*”.

38 Subclause 12(2) of Schedule 2

Omit “*recognised activity*”, substitute “*a recognised participation type*”.

39 Paragraphs 12(2)(d) and (e) of Schedule 2

Omit “an activity”, substitute “a participation type”.

40 Subclause 12(3) of Schedule 2

Repeal the subclause, substitute:

Associated participation types

(3) An individual who engages in a recognised participation type mentioned in any of paragraphs (2)(a) to (d) is taken also to engage in the recognised participation type while:

- (a) engaging in another participation type prescribed by the Minister’s rules as being associated with the recognised participation type; or
- (b) taking leave or another break from, or otherwise not performing, the recognised participation type in

circumstances prescribed by the Minister's rules (whether or not the individual has engaged in the recognised participation type during the CCS fortnight).

41 Subclause 12(4) of Schedule 2 (heading)

Omit "*activities*", substitute "*participation types*".

42 Subclause 12(4) of Schedule 2

Omit "recognised activity result", substitute "increased hours result".

43 Subclause 12(4) of Schedule 2

Omit "in recognised activity", substitute "in a recognised participation type".

44 Paragraph 12(4)(a) of Schedule 2

Omit "recognised activity of that kind", substitute "the recognised participation type".

45 Paragraphs 12(4)(a) and (b) of Schedule 2

Omit "the activity" (wherever occurring), substitute "the participation type".

46 Subclause 12(7) of Schedule 2 (heading)

Omit "*recognised activity*", substitute "*a recognised participation type*".

47 Subclause 12(7) of Schedule 2

Omit "recognised activity result", substitute "increased hours result".

48 Subclause 12(7) of Schedule 2

Omit "of recognised activity", substitute "of a recognised participation type".

49 Clause 13 of Schedule 2

Repeal the clause.

50 Subclause 15A(1) of Schedule 2

Omit "36", substitute "100".

51 Division 2 of Part 5 of Schedule 2 (heading)

Omit “activity test result”, substitute “subsidised hours”.

52 Clause 16 of Schedule 2 (heading)

Omit “activity test result”, substitute “subsidised hours”.

53 Subclause 16(1) of Schedule 2

Omit “*deemed activity test result*”, substitute “*deemed subsidised hours*”.

***A New Tax System (Family Assistance) (Administration) Act
1999***

54 Subparagraphs 67CE(1)(b)(ii) and 105D(2)(a)(ii)

Omit “activity test result”, substitute “subsidised hours”.

55 Subparagraphs 105E(1)(c)(ii) and (3)(c)(ii)

Omit “activity test result”, substitute “subsidised hours”.

56 Paragraphs 108(5)(b) and 111(2A)(b)

Omit “activity test result”, substitute “subsidised hours”.

57 Paragraph 157(2)(k)

Omit “activity” (wherever occurring), substitute “participation type”.

Schedule 2—Application, saving and transitional provisions

1 Application of amendments

- (1) The *A New Tax System (Family Assistance) Act 1999* and the *A New Tax System (Family Assistance) (Administration) Act 1999* as amended by Schedule 1 to this Act apply in relation to sessions of care provided to a child in a CCS fortnight that starts on or after the commencement of this item.
- (2) For the purposes of applying the *A New Tax System (Family Assistance) (Administration) Act 1999* on or after the commencement of this item in relation to sessions of care provided to a child in a CCS fortnight that starts before that commencement:
 - (a) any reference to subsidised hours is taken to include a reference to an activity test result; and
 - (b) any reference to a participation type is taken to include a reference to recognised activity.

2 Transitional provision

- (1) A rule made under paragraph 12(2)(d), 12(3)(a) or (b) or 12(4)(a) or (b) of Schedule 2 to the *A New Tax System (Family Assistance) Act 1999* that was in force immediately before the commencement of this item continues in force (and may be dealt with) as if it had been made under that paragraph as amended by this Act.
- (2) A determination made under paragraph 11(3)(b), subclause 12(5) or paragraph 16(1)(c) of Schedule 2 to the *A New Tax System (Family Assistance) Act 1999* that was in force immediately before the commencement of this item continues in force (and may be dealt with) as if it had been made under that paragraph as amended by this Act.

3 Transitional rules

- (1) The Minister may, by legislative instrument, make rules prescribing matters of a transitional nature (including prescribing any saving or application provisions) relating to the amendments made by Schedule 1 to this Act.

- (2) To avoid doubt, the rules may not do the following:
- (a) create an offence or civil penalty;
 - (b) provide powers of:
 - (i) arrest or detention; or
 - (ii) entry, search or seizure;
 - (c) impose a tax;
 - (d) set an amount to be appropriated from the Consolidated Revenue Fund;
 - (e) directly amend the text of an Act.
-

*[Minister's second reading speech made in—
House of Representatives on 5 February 2025
Senate on 13 February 2025]*

(6/25)
