

AR 92068

January 30, 2025

Dear Parents,

As Minister of Jobs, Economy and Trade, responsible for leading Alberta's work on child care, I am writing to provide you with important information about upcoming changes affecting child care providers and parents accessing child care in Alberta.

On **April 1, 2025**, Alberta's government is introducing three unique Affordability Funding approaches for daycare providers, preschools and family day homes to enable the continued delivery of high quality child care across the province and further implement the Canada-Alberta Canada-Wide Early Learning and Child Care Agreement (CACWELCC). With these new funding approaches, funding will be more streamlined and equitable, with about 85 per cent of day care providers and the majority of family day homes seeing increases. These changes will also help to ensure that high quality child care remains affordable and sustainable for families across Alberta.

What does this mean for parents?

Currently, parents across Alberta pay a variable rate for their child care, with some paying well above \$15 a day and others paying less.

Starting April 1, 2025, a flat and predictable monthly parent fee of \$326.25 will be introduced for all children zero to kindergarten age (attending child care during school hours) enrolled in full-time care (100 hours or more a month) in licensed daycares and family day homes across Alberta. This is equivalent to \$15 a day.

Children zero to kindergarten age (attending child care during school hours) accessing part-time care (between 50 to 99 hours a month) in licensed daycares and family day homes will have a flat part-time parent fee of \$230 per month.

This new fee structure will make child care costs more predictable, so that you pay the same amount for high quality care, no matter where you live in the province or which provider you choose.

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Alberta's government will continue to pay on average 80 per cent of child care costs to your child care provider on your behalf. In addition, by improving early childhood educator compensation through wage top ups, investing in professional development and making it easier to start or advance a career in child care, Alberta's government is helping the sector retain and recruit qualified staff.

As opposed to a flat monthly parent fee, parents with children in preschools will instead have a reduction of up to \$100 off their preschool program's stated monthly child care fees.

No action is required on your part to participate in the new flat monthly parent fee. Your child care provider will apply for the Affordability Grant on your behalf.

What if I currently receive funding through the Child Care Subsidy program?

The Child Care Subsidy program is ending on March 31, 2025, for all children zero to kindergarten age (attending child care during school hours). New applications taking effect on or after February 1, 2025, will not be processed.

The Child Care Subsidy program for children in full-day kindergarten to Grade 6 enrolled in a licensed out of school care (OSC) program is not changing. Families with children attending licensed OSC will continue to be eligible to apply for and receive Child Care Subsidy.

If you currently receive Child Care Subsidy for a child zero to kindergarten age, you will receive a separate letter with further details about the changes to the Child Care Subsidy program.

What are optional services and supplemental fees?

Affordability Funding is provided to daycares and family day home agencies on your behalf. That funding combined with the monthly parent fee is intended to enable the continued delivery of high quality child care and to cover reasonable costs associated with staffing, facilities, operations, programming and administration.

Understanding that providers require flexibility to meet the needs of the families they serve, programs will be permitted to charge supplemental fees for services that are optional for parents. Examples of optional services where a supplemental parent fee may be charged include transportation, field trips, meals, extracurricular activities and diapers. A supplemental parent fee may be charged for overnight care and extended hours care. These supplemental fees may be charged directly to parents and are in addition to the monthly parent fee. Supplemental fees are not required to be charged to parents for optional services. Child care providers may choose to provide optional services for no additional supplemental fee.

Programs must provide parents a choice as to whether they will participate in and pay for an optional service, and preferential access to programs cannot be granted to families willing or able to pay for these optional services. Any mandatory supplemental fees currently being charged to parents must be optional as of April 1, 2025.

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Programs are prohibited from charging additional general administrative, operational and equipment fees to parents. Examples of prohibited fees include, child contract fee, termination fee, nap fee, toy fee or value-add fee; however, targeted fees for late pickup, late payments or other punitive fees are permitted.

Can child care providers choose not to participate in the CACWELCC Agreement?

Child care providers can choose to not to participate in the CACWELCC Agreement. Should your child care provider opt out, Alberta's government will not provide Affordability Funding on your behalf and you will likely see an increase in your child care fees.

What is the Child Care Participant Number?

Starting this Spring, all licensed child care programs will be required to register children attending their child care program to generate a unique Child Care Participant Number.

In addition to improving the claim and payment process for providers, the Child Care Participant Number will eventually make it possible for parents to receive more information on the government funding being invested on your behalf to reduce child care fees.

If you have questions about these changes, please speak to your child care provider, or visit www.alberta.ca/child-care for more information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Matt Jones".

Honourable Matt Jones
Minister of Jobs, Economy and Trade