

Canada-Alberta Canada-wide Early Learning and Child Care Agreement

Affordability

Overview

The agreement will support families with children not yet in kindergarten by:

- Reducing licensed child care fees by an average of 50 per cent for all families in early 2022.
- Lowering fees to an average of \$10/day per child by 2026.

We'll be reducing fees in two ways:

- operating grants that will directly support child care providers; and
- targeted supports to eligible families through the Child Care Subsidy Program with new rates and thresholds.

Included in this document are details on facility-based child care and preschools. We are currently working with licensed Family Day Home agencies to gather information about their current contracts and capacity. **Information regarding operating grants for Family Day Home agencies is coming soon.**

Operating Grants

All licensed daycares, preschools and family day home agencies will receive an operating grant based on their child enrollment. Programs will use the operating grant funds to reduce parent fees.

Operating grants were calculated using average program fees across the province, per space per month, based on the type of child care and the age group.

Spaces for infants (children under 19 months) receive the highest grant rates, given the low staff to child ratio and the additional costs of operating infant spaces.

The infant care incentive will no longer be provided as a stand-alone payment. Instead, it has been included in base operating grant amounts to be more administratively efficient and to reflect increased operational costs of spaces for children 0-18 months.

OPERATING GRANTS

Licensed Facility-Based Daycare		Licensed Preschool	
Infant	Toddler	Preschool-Age	Preschool-Age
\$635	\$510	\$450	\$75

If a child is not enrolled full time (at least 100 hours per month), operating grants will be pro-rated in facility-based daycare programs.

All programs with existing licensed spaces (and those in the licensing approval process) will receive affordability supports beginning in January 2022.

Children's Services is streamlining operating grant distribution to reduce red tape and administrative costs for programs.

Visit [Alberta.ca/ChildCareDeal](https://alberta.ca/ChildCareDeal) for more information

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Child Care Subsidy

In January 2022, income thresholds for Child Care Subsidy will increase to \$179,999, making additional support available to more families who have young children not yet attending Kindergarten.

To further reduce fees for families who need it most, subsidy rates and income thresholds will be adjusted, along with operational grants to programs. This means more Albertans will be eligible for a child care subsidy.

Families with children not yet in Kindergarten who meet the other Child Care Subsidy [eligibility criteria](#) and earn a gross household income under \$180,000 are eligible to apply for subsidy as early as mid-January, 2022. Full subsidy is available to families with incomes up to \$119,999 and partial subsidy is available to families with incomes from \$120,000 - \$179,999.

We expect a high volume of applications for subsidy in January given the increased number of parents who will be eligible. This may result in longer processing times. We will attempt to minimize any delays; however, some programs might receive a back payment for January subsidies.

MAXIMUM SUBSIDY RATES FOR LICENSED DAYCARE CENTRES

Income	Percentage of Maximum Subsidy	Rates for Children 0-Kindergarten *
\$0 to \$119,999	100%	\$266
\$120,000 to \$124,999	95%	\$253
\$125,000 to \$129,999	90%	\$239
\$130,000 to \$134,999	85%	\$226
\$135,000 to \$139,999	80%	\$213
\$140,000 to \$144,999	75%	\$200
\$145,000 to \$149,999	70%	\$186
\$150,000 to \$154,999	65%	\$173
\$155,000 to \$159,999	60%	\$160
\$160,000 to \$164,999	55%	\$146
\$165,000 to \$169,999	50%	\$133
\$170,000 to \$174,999	45%	\$120
\$175,000 to \$179,999	40%	\$106

* Children in daycare must attend 100 hours or more to receive the maximum subsidy rate listed under the families' income bracket.

The grant and the subsidy together will help reduce fees by 50% by early next year on average, and target supports to those who need it most.

For example, a family earning \$75,000 per year with one toddler attending a day care program would be eligible for full subsidy. If the fee at the program is \$1,000 per month, the day care program will receive \$510/month in an operating grant and the family would be eligible for \$266/month. The remaining parent portion is \$224/month or approximately \$10/day.

As another example, a family earning \$130,000 per year with an infant attending a day care program would be eligible for partial subsidy. If the fee at the program is \$1200 per month, the program will receive \$635/month in an operating grant and the family would be eligible for \$226/month in subsidy. The remaining parent portion is \$339/month or \$15.60/day.

Preschool Subsidy for Children attending Licensed Preschool

As preschools typically offer part-time programs that run 2 to 3 half-days per week, subsidy for children enrolled in preschool remains at a flat rate of \$125 per month for all families earning up to \$180,000 per year.

As preschool programs are part-time, children are not required to meet minimum attendance hours.

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Out of School Care Subsidy for Children in Kindergarten and Grades 1 to 6

The province remains committed to supporting school-aged children by continuing to provide a subsidy using the previous eligibility threshold of gross family income under \$90,000.

- Subsidy rates for school-aged children in Kindergarten and grades 1 to 6 are not changing. The rates for school-aged children in facility-based centres and family day home agency programs are outlined in the table below.
- For children in Kindergarten, the maximum subsidy rate is \$644 per month (in a facility-based program) or \$516 per month (in a home-based program).
- For children in grades 1 to 6, the maximum subsidy rate is \$366 per month (in facility-based and home-based programs).
- Families earning more than \$50,000 but less than \$90,000 per year will receive a partial subsidy.

MAXIMU RATES FOR LICENSED FACILITY-BASED CENTRES AND FAMIY DAY HOME AGENCY PROGRAMS

Income	Children Enrolled in Kindergarten		Grade 1-Grade 6
	Facility-Based Centres	Family Day Home Agencies	
\$0 - \$49,999	\$644	\$516	\$366
\$50,000 - \$54,999	\$612	\$490	\$348
\$55,000 - \$59,999	\$547	\$439	\$311
\$60,000 - \$64,99	\$483	\$387	\$275
\$65,000 - \$69,999	\$419	\$335	\$238
\$70,000 - \$74,999	\$354	\$284	\$201
\$75,000 - \$79,999	\$290	\$232	\$165
\$80,000 – 84,999	\$225	\$181	\$128
\$85,000 – 89,999	\$161	\$129	\$92
	Rates reflect attendance of 100+ hours.		Rates reflect attendance of 50+ hours.
