



Budget 2008
THE RIGHT PLAN FOR TODAY & TOMORROW

May 9, 2008

Provincial child care plan recognizes unique circumstances of Ft. McMurray

Parent subsidy gets a boost, out-of-school care staff benefit from Northern Allowance

Calgary... A new child care investment plan released by the Alberta government will increase the availability of child care, assist child care operators in their efforts to recruit and retain staff and help low-and middle-income parents, including parents of school-age children, with the cost of child care. The provincial plan also targets additional resources for child care in Fort McMurray.

With an investment of \$242 million over three years, *Creating Child Care Choices*, will support the creation of 14,000 new child care spaces in a variety of settings, including family day homes, nursery schools, day cares and out-of-school care programs, by 2011. The plan also introduces a new subsidy for low- and middle-income families with children in Grades 1 to 6, effective September 1.

"Parents are an essential part of our workforce, and they need more child care choices to help ensure their children get a good start in life," said Minister of Children and Youth Services Janis Tarchuk. "We are providing our partners, including employers, municipalities, school jurisdictions and the child care sector, with a range of tools to help address their communities' child care needs. Our investment in child care is part of our commitment to promoting strong, vibrant communities."

In 2008-09, the province has allocated an additional \$76 million for the *Creating Child Care Choices* plan, including child care subsidy rates and child care staff wage supplements that respond to Fort McMurray's unique circumstances. Highlights include:

- Extending the Northern Allowance of \$1,040 per month to staff working in licensed out-of-school care programs in addition to staff working in licensed day cares;
- Boosting wage top-ups by 60 per cent for staff working in licensed day cares and approved family day homes. This brings the government top-up to the salary provided by the employer to between \$1.44 per hour to \$6.62 per hour;
- Introducing a new wage supplement of \$144 per month for staff working in licensed out-of-school care programs;
- Introducing two new subsidies for families with school-age children: a subsidy of \$355 per month for Fort McMurray families accessing licensed out-of-school care programs and a Kin Child Care subsidy of up to \$229 per month for families who have a relative looking after their child;
- Allocating \$42 million in capital funding over three years to support the creation of more child care spaces near schools by purchasing modulars. In addition to this provincewide initiative, another \$2 million in capital funding was previously announced to build more child care spaces in Fort

McMurray;

- Allotting \$7 million to the successful Space Creation Innovation Fund and making it available to licensed out-of-school care programs;
- Increasing child care accreditation funding, a type of operating grant tied to the quality of programs, to \$4,000 per year for pre-accredited programs and to \$7,500 per year for accredited programs;
- Establishing an \$8 million regional partnership fund to support innovative solutions to local child care needs;
- Responding to the demand for infant spaces by providing child care operators with an additional \$150 per month for each infant space to offset the additional cost involved in offering infant care; and
- Introducing a scholarship of \$2,500 for students who have completed the child care orientation course in high school and have enrolled in an early childhood program at a post-secondary school.

"Our goal of creating 14,000 new child care spaces in three years is ambitious but achievable," said Tarchuk. "We will help communities build their child care capacity by enhancing some of the tools in our toolbox, adding new ones and being flexible enough to support local, innovative solutions."

Since 2005, Alberta's child care investment has increased by 152 per cent from \$78 million in 2005-06 to an estimate of \$197 million in 2008-09.

More information about *Creating Child Care Choices* is available online at www.child.alberta.ca/childcare or by calling the toll-free Parent Information Line: 1-866-714-KIDS (5437.)

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Attachments: Creating Child Care Choices plan overview; Facts and statistics

Media inquiries may be directed to:

Cathy Ducharme
Alberta Children and Youth Services
780-427-4801* 780-919-6108 (Cell)
*To call toll-free within Alberta dial 310-0000.

May 9, 2008

Creating Child Care Choices: A plan to support our families

Parents need access to quality, affordable child care for their children. In response, the government is committed to supporting the creation of 14,000 child care spaces by 2011 for families with children up to the age of 12.

While child care is primarily the responsibility of parents, families need the community's support to help ensure children get a good start in life. In Alberta, 65 per cent of women and 95 per cent of men with children under six participate in the labour force. The province's *Creating Child Care Choices* plan will increase the availability of child care to help working parents balance their work and family commitments.

With an investment of \$242 million over three years, *Creating Child Care Choices*, gives community partners the tools to create new child care spaces in a variety of settings, including family day homes, nursery schools, day cares and out-of-school care programs.

In 2008-09, the Alberta government will invest an additional \$76 million to support space creation, assist child care operators in their efforts to recruit and retain staff and help low- and middle-income parents pay for child care.

Recruitment and Retention

With a provincial unemployment rate of 3.4 per cent (March 2008), child care operators have told us attracting and retaining staff is a challenge. The government is responding by:

- 1. Extending the Northern Allowance of \$1,040 per month to full-time staff working in licensed out-of-school care programs in addition to staff working in licensed day cares. Staff will see this increase in October, retroactive to April 1.
- 2. Increasing wage top-ups by 60 per cent for staff working in licensed day care centres and approved family day homes participating in accreditation. Staff will see this increase in October, retroactive to April 1.

Day Cares and Approved Family Day Homes		
Pre-accreditation		
Level	New Wage Top-Up	Increase of
1 (orientation course)	\$1.44/hr	\$0.54/hr
2 (1 year certificate)	\$2.70/hr	\$1.01/hr
3 (2 year diploma)	\$4.42/hr	\$1.66/hr
Accreditation		
Level	New Wage Top-Up	Increase of
1 (orientation course)	\$2.14/hr	\$0.80/hr
2 (1 year certificate)	\$4.05/hr	\$1.52/hr
3 (2 year diploma)	\$6.62/hr	\$2.48/hr

Employers (child care operators) are responsible for setting staff salaries. When you include the new government wage top-up, the average hourly salary for a child care professional with Level 3 certification is \$20.82 per hour.

- 3. Introducing a new wage supplement of \$144 per month effective September 2008 for staff working in licensed out-of-school care programs. Starting in April 2009, all licensed school-age child care programs will have the opportunity to participate in a new accreditation program and the monthly salary supplement will be replaced with accreditation wage top-ups.
- 4. Expanding eligibility for the Child Care Staff Attraction Incentive Allowance effective September 2008 to provide individuals entering the child care profession, including out-of-school care programs, with a one-time payment of \$2,500 after one year of employment. Individuals with at least six months experience who return to the child care field are eligible to receive \$5,000 after two years of employment.
- 5. Establishing a new scholarship of \$2,500 for high school students who have completed the child care orientation course through Career and Technology Studies and who have enrolled in a post-secondary early childhood program. Applications will be available in July 2008 for September enrollment.
- 6. Offering the free child care orientation course online by June 2008 to make it easier for people, especially in Alberta's rural areas, to obtain the training necessary to begin a career in child care.
- 7. Launching a recruitment campaign by September 2008 to attract more people to the child care field and encourage those in the field to upgrade their education.
- 8. Exploring the development of a child care apprenticeship program so people can get their training while they are working.
- 9. Enhancing child care staff equivalencies so people working in the child care field with related training can be certified at a higher level.

Increasing Quality Spaces

With more parents in the workforce, there is a need for more child care spaces. The Alberta government is responding by:

- 1. Allotting \$7 million to the successful Space Creation Innovation Fund and making it available to licensed out-of-school care programs. Applications are now being accepted. Grants of up to \$2,000 per new space are available in Fort McMurray to help cover planning costs and/or start-up costs associated with increasing spaces in an existing child care program or opening a new one.
- 2. Offsetting the cost of infant care by providing child care operators with an additional \$150 per month for each infant space, effective September 2008.
- 3. Allocating \$42 million in capital funding over three years to support the creation of more child care spaces in, and adjacent to, schools through the purchase of modulars.
- 4. Increasing quality funding grants to \$4,000 per year for pre-accredited programs and to \$7,500 per year for accredited programs, effective October 2008 and retroactive to April 2008.
- 5. Making business resources, such as financial planning tools, available to child care operators.
- 6. Developing regional space creation plans, led by the ministry's 10 Child and Family Services Authorities in consultation with regional partners, and establishing an \$8 million regional partnership fund to support innovative solutions to local child care needs.

Helping Parents

Albertans have told us parents, particularly low- and middle-income parents, need help to pay for child care. The Alberta government is responding by:

- 1. Introducing two new subsidies for low- and middle-income families with school-age children: a provincial subsidy of \$355 per month for Fort McMurray families accessing licensed out-of-school care programs and a Kin Child Care subsidy of \$229 per month for families who have a relative looking after their school-age child.
- 2. Increasing subsidy rates for parents using licensed or approved child care for preschool children by

- 3.5 per cent, increasing maximum subsidy in Fort McMurray to \$714 per month, effective September 2008.
- 3. Increasing the preschool Kin Child Care Subsidy rate in Fort McMurray from \$349 to \$458 per month, effective September 2008, to help parents who have a non-custodial relative looking after their children.

Parents can learn more about child care subsidies by visiting www.child.alberta.ca/childcare or calling the toll-free Parent Information Line at 1-866-714-KIDS (5437.)

Media inquiries may be directed to:

Cathy Ducharme Alberta Children and Youth Services 780-427-4801* 780-919-6108 (Cell)

*To call toll free within Alberta dial 310-0000.



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Facts and statistics about child care in Alberta

- In Alberta, 65 per cent of women and 95 per cent of men with children under six participate in the labour force. (Source: Statistics Canada, based on 2006 Census)
- Since 2005, Alberta's child care investment has increased by 152 per cent from \$78 million in 2005-06 to an estimate of \$197 million in 2008-09.
- Alberta is the only province in Canada with a child care accreditation system. Accreditation is a voluntary process designed to assess that licensed day care centres and approved family day homes meet quality standards of child care excellence over and above legislated requirements.
 - 296, or 54 per cent, of Alberta's 545 preschool programs are accredited with another 228 working towards that same goal. (As of March 31, 2008)
- 54 per cent of programs for children up to 12 years of age are owned by non-profit societies. The other 46 per cent are privately owned.
- Alberta has 512 licensed day cares with a total licensed capacity of 25,729 spaces, 2,687 approved family day homes with a capacity of 11,367 spaces and 529 licensed out-of-school care programs with a capacity of 19,482 spaces. (As of March 31, 2008)
- 8,341 families with children attending a day care were receiving a provincial child care subsidy; 2,090 families with children attending an approved family day home were receiving a subsidy. (As of March 31, 2008)
- Alberta offers a stay-at-home parent subsidy of up to \$100 per month for each preschool age child who is participating in an approved early childhood development program. Other financial benefits that help eligible parents with the cost of raising a child include: Federal Child Care Expense Deduction, the Universal Child Care Benefit, Canada Child Tax Benefit, National Child Benefit, the federal deduction of \$2,000 for each child born after 1990 and the Alberta Family Employment Tax Credit.
- The average parent fee for approved family day homes and licensed day cares in Alberta in March 2008 was \$616 per month with the range being between less than \$500 per month to more than \$1,000 per month.

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