

## Child Care: Investing in Alberta Families & the Economy

Universally affordable quality early learning and child care is a critical investment in Alberta children, working families and our economy. Under an Alberta NDP \$10/day child care program, Alberta would leverage \$3.8 billion in federal child care funding to ensure that families in Alberta would save an average of \$800 per month per child or \$9600 per year. Under our proposal, average child care fees for parents would be reduced by 50 percent by the end of 20221, and to \$10/day by 2025/26.

Our proposal would also invest in creating more licensed child care spaces and flexible options to ensure more families have access to quality child care. Workforce development funding would attract and retain early childhood educators, the key indicator of quality early learning and child care. Dedicated funding for indigenous-led and inclusive child care would support all children having access to appropriate early learning opportunities.

Currently, families in Alberta pay an average of \$51/day for child care - with many families paying much more in Calgary, Edmonton & Fort McMurray. This can be more than the cost of rent or a mortgage. As one of the youngest provinces, Alberta requires more child care spaces per capita than other provinces, and the high cost and lack of availability of child care is keeping thousands of Albertans - mainly women - out of the workforce, and slowing economic recovery and diversification.

Alberta also scores the lowest in the country on early childhood education measures, which results in increased need for interventions and supports once children enter the K-12 education system. Further, the loss of 20 percent of our early childhood education workforce in the past year is causing a devastating reduction of capacity in our child care system, and negatively impacts the quality and safety of early learning and child care in the province.

Simply put, Alberta families need this investment, and they need it now.

## The Alberta NDP plan

### Highlights

- This five-year investment in Alberta would lead to economic growth between \$8B - \$15.8B, according to the federal government, and based on advice from TD Economics<sup>1</sup>. Additional studies estimate similar returns on investment through GDP increases and other benefits.<sup>2</sup>
- By the end of 2023, 27,000 children and their families would benefit from \$10/day childcare and that number would grow significantly over time, saving families an average of \$800 per month, per child.
- Funding would be accessible to all licensed not-for-profit, for-profit and public child care providers - including flexible models such as before and after school and shift-work care that support people's needs in terms of where and when care is provided.
- \$850 million over 5 years for quality and inclusion, including training and infrastructure to support inclusive needs, and a salary grid and professional development for the workforce.
- \$850 million over 5 years for Indigenous led care.

### Summary of Investments

- Based on the federal formula, an Alberta-Canada Early Learning and Childcare Agreement would result in \$3.8B to Alberta over 5 years (Alberta has roughly 14 percent of all 0 to 12 year olds).
- The funds below are \*new\* and do not reflect existing government spending.

Year	Canada	Alberta (new funding)	Combined
2021-22	\$402,798,313.59	\$0	\$402,798,313.59
2022-23	\$625,015,238.62	\$200,000,000	\$825,015,238.62
2023-24	\$774,088,452.58	\$400,000,000	\$1,174,088,452.58
2024-25	\$909,963,943.57	\$550,000,000	\$1,459,963,943.57
2025-26	\$1,085,868,231.94	\$700,000,000	\$1,785,868,231.94
TOTAL	\$3,797,734,180.31	\$1,850,000,000.00	\$5,647,734,180.31

<sup>1</sup> <https://www.canada.ca/en/departement-finance/news/2021/04/budget-2021-a-canada-wide-early-learning-and-child-care-plan.html>

<sup>2</sup> See Conference Board of Canada, "Ready for Life," 2017: [https://www.conferenceboard.ca/temp/52c92511-d9f4-4182-bcbc-acac348424de/9231\\_Ready-for-Life\\_RPT.pdf](https://www.conferenceboard.ca/temp/52c92511-d9f4-4182-bcbc-acac348424de/9231_Ready-for-Life_RPT.pdf)

## Investments and Impacts by Program Area - Alberta's NDP Negotiation Document

- Table below represents total new funding for child care from the Alberta and federal governments. Estimated spending and spaces are based on an agreement dated July 2021.
- Based on BC's agreement and modeling assumptions, we estimate funding of \$40,000/year for the creation of a new \$10/day child care space and \$16,000/year for the conversion of existing child care spaces to \$10/day child.
- As system costs-per-space are expected to reduce over time as capacity and resources of the sector increase, estimated new and converted spaces should be considered a low-end estimate. The funding allocation will be adjusted as needed to support maximum \$10/day space creation.

Summary of 21/22 and 22/23 CW-ELCC Investments & Impacts		
Priority	Initiative	CW-ELCC Investment (\$M)
Affordability 35%	Reducing parent fees for child care (ie converting spots to lower cost) across not-for-profit, public, for-profit, childcare centres and day-homes, including flexible models of care.	2021/22: \$141M 2022/23: \$289M
	Expanding access to \$10/day care across different kinds of care.	Total over 5 yrs: \$1.98B
<b>Expected impacts:</b> Approximately 8800 spaces converted into \$10/day spaces by end of 2022 Approximately 18,000 spaces converted into \$10/day spaces by end of 2022/23 Reduction in average parent fees (from 2019 levels) by 50% for 0-5 year olds by December 2022		
Accessibility 30%	Creating new \$10/day spaces in child care across not-for-profit, public, childcare centres and day-homes, including flexible models of care.	2021/22: \$121M 2022/23: \$248M
		Total over 5 yrs: \$1.7B
<b>Expected impacts:</b> <ul style="list-style-type: none"> <li>• 3000 new spaces funded in 2021/22</li> <li>• 6000 new spaces funded in 2022/23</li> </ul>		
<b>Expected impacts:</b> Targeted child care space planning and design will be completed, to maximize space creation in future years.		

<b>Quality and Inclusion</b> <b>15%</b>	<p>Expanding inclusion supports, including specialized staff, programming, and equipment. Eligibility for child care across not-for-profit, public, for-profit, childcare centres and day-homes, including flexible models of care.</p> <p>Specific training, accreditation, curriculum, programs, resources, and tax credit supports for uptake.</p> <p>Wage grid and wage top-up to ensure retention and permanency in child care sector employment.</p> <p>Digital mapping to provide information to connect parents with child care providers across the province, and connect providers to real-time tools and supports.</p>	<p>2021/22: \$60M</p> <p>2022/23: \$124M</p> <p>Total over 5 yrs: \$0.85B</p>
	<p><b>Expected impacts:</b></p> <ul style="list-style-type: none"> <li>● More children and families will have access to inclusive child care and children already on caseload will receive more service. Increased school-aged readiness.</li> <li>● More ECE and specialized workers will be recruited and retained.</li> <li>● Child Care providers will have enhanced capacity to care for children with support needs through access to education, training and consultation.</li> </ul>	
<b>Indigenous</b> <b>15%</b>	<p>Indigenous-led child care</p>	<p>2021/22: \$60M</p> <p>2022/23: \$124M</p> <p>Total over 5 yrs: \$0.87B</p>
	<p><b>Expected impacts:</b></p> <ul style="list-style-type: none"> <li>● Culturally-based Indigenous-led child care and family support services. Off and on-reserve community-led partnerships to be developed and supported including capital and operations funding.</li> <li>● Number of spaces created will depend on specific models of care.</li> </ul>	
<b>Administrative Funding</b> <b>5%</b>	<p>Implementation Task Force planning/design of child care: program evaluations and expansion to out of school care programs; workforce training and retention strategy; including NFP and profit x-sector representation</p> <p>Administration Funding will be used primarily for additional staffing, program and policy development (where applicable) and system enhancements.</p> <p>Engagement with Indigenous communities</p>	<p>2021/22: \$20M</p> <p>2022/23: \$41M</p> <p>Total over 5 yrs: \$0.28B</p>