

Child Care Fee Reduction Initiative (CCFRI)

Frequently Asked Questions for Providers

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Enrolment and Eligibility

- **What do I need to do as a current Child Care Fee Reduction Initiative provider to receive the increased fee reduction funding available in December 2022? Is there anything that parents need to do?**

Under section 8.3 of your existing Funding Agreement, the program may change the funding rates, calculations, amounts, categories and other provisions set out in the schedules with 30 days written notice. This does not require a new agreement to be signed by the provider.

Providers currently participating in the Child Care Fee Reduction Initiative will receive updated schedules B and C by email by November 1, 2022, which will enable the ministry to provide increased payments beginning December 2022. This increase covers the required fee reductions, as well as enhancements to the provider payment, which can be used by the provider to cover some of their operational expenses, including wages.

Enrolment reports may be submitted by participating providers to the ministry as early as the 15th of the prior month. Approved providers are required to reduce parent fees by the prescribed amounts (i.e., up to \$900 per month as of December 2022).

A child care fee estimator is being developed to help providers determine how much CCFRI they will receive and will be available on the ChildCareBC website in Fall 2022.

Parents with children enrolled at an eligible facility will begin benefitting from the enhanced fee reductions in December 2022 and do not need to apply.

We recognize that benefit plans for families in receipt of the Affordable Child Care Benefit will need to be updated. The process to do this will be shared prior to implementation in December.

- **How can I apply to be a Child Care Fee Reduction Initiative provider?**

Child care providers already enrolled and participating in the Child Care Fee Reduction Initiative do not need to re-apply in order to receive the increased funding that will become available effective December 1, 2022. The ministry will provide updated schedules B and C for each participating provider's funding agreement, which will enable the increased funding (for both providers, and parents) to begin effective December 1, 2022.

New licensed child care providers (and new-to-Child Care Fee Reduction Initiative providers) that provide care in an eligible care category (e.g., "0-36 months" and/or "3 years to Kindergarten") can apply to receive [Child Care Operating Funding](#) at any time. Once a child care provider has applied for Child Care Operating Funding, they can then apply for the [Child Care Fee Reduction Initiative](#).

- **Is participating in the Child Care Fee Reduction Initiative mandatory for providers?**

Participation is not mandatory for providers, but we encourage all eligible providers who aren't yet part of the program to apply.

- **I have heard that the application process can be lengthy and it primarily benefits parents, not providers.**

Child care providers are our partners in delivering affordable, quality, and inclusive child care for families, and we want to ensure they continue to offer fee reductions to parents in their communities.

Applications by providers that aren't seeking to raise their fees over the term of the funding agreement are relatively straightforward and are approved quickly. For providers seeking to raise their fees and/or those that recently raised their fees prior to applying, the application review process may take longer in order for the ministry to ensure the proposed/recent fee increases are not unnecessarily eroding the intended benefit of the Child Care Fee Reduction Initiative for families. During the review process, providers may be given temporary approval up to the month of their proposed increase to speed up the process.

Additionally, the Child Care Fee Reduction Initiative's provider payment (formerly referred to as the "CCFRI administrative top-up") is funding provided under the CCFRI for providers to help cover operational costs associated with running a child care facility to help offset the costs associated with participating in the Initiative.

Effective December 1, 2022, provider payment rates will significantly increase, roughly doubling for group providers and increasing by roughly three-to-four times for family providers.

- **If I receive funding and become a Child Care Fee Reduction Initiative facility, how does this impact my business taxes and what I can claim when filing with the Canada Revenue Agency?**

Funding under the Child Care Fee Reduction Initiative is considered a provincial grant and must be declared as part of your taxes when filing with the Canada Revenue Agency. Please visit the [Canada Revenue Agency website](#) or contact their office directly for support with your specific tax questions.

- **Where can I find out more information about the Child Care Fee Reduction Initiative application requirements and process?**

Please refer to the Child Care Fee Reduction Initiative [Funding Guidelines](#) to learn more about eligibility and how applications are assessed. Information about how to apply is available [online](#).

Changes to Provider Payments

- **What is the provider payment, and why is it increasing?**

The Child Care Fee Reduction Initiative's provider payment (formerly referred to as the "CCFRI administrative top-up") is funding provided under the Child Care Fee Reduction Initiative for providers to help cover operational costs associated with running a child care facility.

Effective December 1, 2022, provider payment rates will increase, roughly doubling for group providers and increasing by roughly three-to-four times for family providers. The increased provider payment rates will help offset the potential financial impact of the 3% fee increase limit and can be used for operational costs related to child care, including staff wages, so providers are supported to participate in the Child Care Fee Reduction Initiative.

- **How will these changes benefit child care providers?**

To ensure that these changes support both families *and* providers, we are increasing the provider payment rates, to cover some operational costs associated with running a child care facility. Increases to these rates will also offset the potential financial impact of the new 3% fee increase limit.

The increased provider payment rates will offer enhanced financial support to providers and will help address the increasing costs of providing care.

- Here's an example: Provider offers group care for 20 children aged 3 years to kindergarten.
 - Currently, the provider receives \$22 per full-enrolled space a month through their Child Care Fee Reduction Initiative provider payment (the 20% "CCFRI administrative top-up"). In a typical 20-day month, the provider receives \$440 a month ($\$22/\text{space} \times 20 \text{ spaces}$).
 - Effective December 1, 2022, the same provider will be eligible to receive \$52.69 per full-time enrolled space through their Child Care Fee Reduction Initiative provider payment. In a typical 20-day month, the provider will receive \$1,053.80 a month ($\$52.69 \times 20 \text{ spaces}$).

- **When will provider payments be increased and what are the new amounts?**

Provider payment rates will increase as of December 1, 2022, roughly doubling for group providers and increasing by roughly three-to-four times for family providers. The following table indicates how the provider payment rates will change, effective December 1, 2022, based on a 20-day month and per full-time space.

Provider type	Rate category	Current payment	Additional support	New total payment	% Increase in provider payment
Group and multi-age ¹	Under 36 months	\$48.00	\$48.00	\$96.00	2X
	3 years to kindergarten	\$22.00	\$30.80	\$52.60	2.4X
	K: Before & After School	\$22.00	\$20.00	\$42.00	1.9X
Family	Under 36 months	\$14.80	\$48.00	\$62.80	4.2X
	3 years to kindergarten	\$11.20	\$30.80	\$42.00	3.8X
	K: Before & After School	\$11.20	\$20.00	\$31.20	2.8X
In-home multi-age ²	Under 36 months	\$17.80	\$48.00	\$65.80	3.7X
	3 years to kindergarten	\$13.60	\$30.80	\$44.40	3.3X
	K: Before & After School	\$13.60	\$20.00	\$33.60	2.5X

¹ Includes Multi-Age Child Care Licence for more than 8 children, and/or in location other than a personal residence

² Includes In-Home Multi-Age or Multi-Age Child Care Licence for 8 or fewer children in the licensee's personal residence

- **What are the eligible expenses for the provider payment portion of the funding, and do I need to expend it all within the same funding term it was paid?**

The provider payment is intended to be used toward operational costs associated with delivering licensed child care, including wages, administration, etc. Child care operators do not need to use all their provider payment funding in the funding term it was received and may defer any unused portion towards future anticipated operational expenses and increases to operating costs; however, the funding cannot be used as profit.

- **Will the provider payment increase annually?**

The provider payment is being enhanced using federal funding under the Canada-British Canada-wide Early Learning and Child Care Agreement. It will help ensure that, on average, the enhanced funding offsets the potential financial impact of annual fee increase limit, so that providers can continue to participate in the program.

The ministry will monitor the impact of this new policy, to make sure we're continuing to support our partners in delivering affordable, quality, and inclusive child care for families.

- **My operational costs are increasing, and I need to raise my fees. Will I still be able to raise my fees and remain eligible for the Child Care Fee Reduction Initiative?**

Yes. Effective December 1, 2022, facilities participating in the Child Care Fee Reduction Initiative will be able to raise their fees by a maximum of 3% of their Service Delivery Area's median fee charged by group and family providers annually, with limited exceptions. This 3% maximum fee increase is subject to change on an annual basis and does not apply to fee increases that were received by the ministry prior to December 1, 2022.

The median rates will be shared with providers in the next iteration of the Child Care Fee Reduction Initiative Guidelines in late September.

- **What is the exception process for providers who want to increase their fees more than the fee increase caps?**

Under the revised Child Care Fee Reduction Initiative policy, there are limited exceptions that may allow for a provider to request an increase beyond the 3% fee increase limit. Child care providers can review these exceptions in the revised Child Care Fee Reduction Initiative Funding Guidelines, which will be released closer to December 2022.

- **What is the \$200 minimum fee? How many families will be paying \$200/month at Child Care Fee Reduction Initiative facilities after December 2022?**

The \$200 per month, or \$10 a day, minimum fee is the parent fee after the Child Care Fee Reduction Initiative discount is applied. This means if the current parent fees are at a level that the full fee reduction would bring them below \$200 per month, the amount providers will receive for parents will reduce accordingly, so parent fees are no lower than \$200 per month.

However, families eligible for the Affordable Child Care Benefit may pay less than \$200/month, or even nothing at all, depending on their income and other eligibility factors.

A small number of child care facilities currently charging less than \$200/month (after the Child Care Fee Reduction Initiative) will be supported to continue doing so – they will not be required to charge families more as a result of the minimum fee.

Setting this \$200 minimum means that parents with children at some Child Care Fee Reduction Initiative facilities will pay the same amount as parents whose children are enrolled at \$10 a Day ChildCareBC Centres and aligns with government’s vision of \$10-a-day child care as a core service.

- **Why are family providers receiving less funding than group providers?**

The parent fee reduction amounts, and the provider payment rates are lower for family versus group providers based on data received from over 5,000 licensed child care facilities each year, which indicates that, on average:

- Fees charged at group facilities are higher than those charged at family facilities; and
- Monthly operational expenses (e.g., wages, program supplies, rent/lease, etc.) at group facilities are higher than those at family facilities.

Scaling the funding (for parents and providers) based on reported fees and operational expenses means that while the dollar amount of the enhanced fee reductions and provider payment is higher for group versus family programs, the relative discount (i.e., as a proportion of the 2020-21 median fees) is comparable as, on average, families will face similar out-of-pocket costs for group versus family child care.

- **How is the provider payment different from Child Care Operating Funding, and why couldn't the Child Care Operating Funding base funding be increased instead?**

Not all Child Care Operating Funding participants are eligible for the Child Care Fee Reduction Initiative, as only group and family care for children kindergarten and under are eligible for the Child Care Fee Reduction Initiative. By increasing provider payments, we are making targeted fee reductions for families.

- **Do these changes impact the other funding I am receiving, such as the Early Childhood Educator Wage Enhancement?**

No, facilities receiving the \$4 per hour wage enhancement will continue receiving support for staff wages. Similarly, other government funding programs, including the Child Care Operating Funding and ChildCareBC Maintenance Fund, are unaffected.

Parent Fee Reductions

- **How will government reduce child care fees for families?**

Fee reductions for families with children kindergarten and under will be achieved through expansion of the \$10 a Day ChildCareBC program (increasing up to a total of 12,500 spaces by the end of the year) and enhancement of the Child Care Fee Reduction Initiative.

Through enhancements to the Child Care Fee Reduction Initiative (effective December 1, 2022), parents will save up to \$550 more, per child, on their monthly child care bills. This fee cut will put as much as \$6,600 more (per child) back into the pockets of parents, each year.

The amount of savings each family receives will vary, depending on the age of their child, and the type of care being accessed.

The savings are on top of the up to \$350 a month parents are already saving through the Child Care Fee Reduction Initiative.

The out-of-pocket amount that families pay will depend on the initial fee charged by their provider. Families accessing care at a provider who currently charges less than the median fee in their service delivery area will see lower out-of-pocket fees than families who access care at a provider who charges higher than the median fees.

Families eligible to receive the Affordable Child Care Benefit may see an even larger reduction, and in some cases, may have their entire fee covered through a combination of Child Care Fee Reduction Initiative and Affordable Child Care Benefit.

Monthly Parent Fee Reductions (Full-time care)

Group (Centre-Based) Child Care	2018+	New reductions	2022 new total
Age under 3	\$350	\$550	\$900
Age 3 to 5 (<i>not in school</i>)	\$100	\$445	\$545
Kindergarten (<i>Before & After School</i>)	\$100	\$220	\$320
Family Child Care			
Age 0-36 months	\$200	\$400	\$600
Age 3 to 5 (<i>not in school</i>)	\$60	\$440	\$500
Kindergarten (<i>Before & After School</i>)	\$60	\$260	\$320

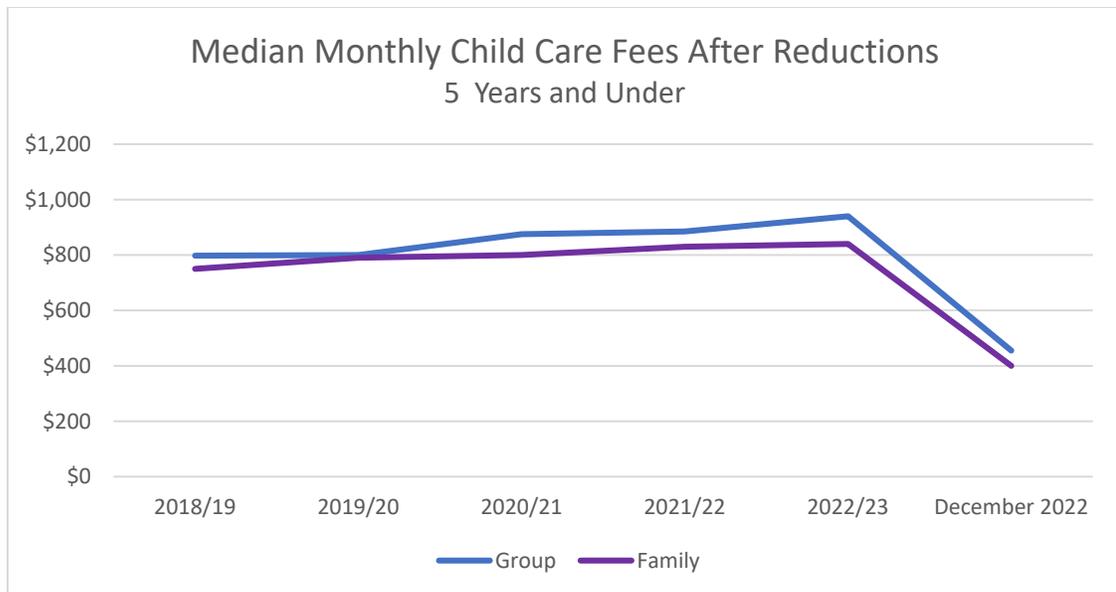
- **Can providers share information about the parent fee reduction with their families?**

Yes. We recognize this is a big change and want to ensure child care providers and families have enough time to understand what is happening.

Child Care Fee Reduction Initiative providers will be provided with information that they can share with families.

- **I'm a family provider and I charge the same fee for infant/toddlers and 3 years to kindergarten. Why aren't the fee reduction amounts for family providers the same to reflect this?**

The parent fee reduction amounts under the Child Care Fee Reduction Initiative are scaled to reduce parent fees and reflect median monthly fees in various service delivery areas. In December 2022, parent out-of-pocket fees for children kindergarten and under will be \$455 on average for group providers and \$400 for family providers.



- **How come participating providers can charge different rates? Doesn't that result in parents getting less of a reduction?**

Child care providers in British Columbia operate as independent organizations and set their own fees. The Child Care Fee Reduction Initiative is designed to provide immediate relief to families by substantially reducing their out-of-pocket costs. Parents accessing the same care type will receive the same amount of fee reduction, except in cases where providing the maximum fee reduction amount would otherwise result in their out-of-pocket costs being reduced below the \$200/month of \$10 a Day.

Fee Increase Limit

- **What is the fee increase limit?**

Effective December 1, 2022, facilities participating in the Child Care Fee Reduction Initiative will be able to raise their fees by a maximum of 3% of their service delivery area's median child care fee, with limited exceptions. A map of the Service Delivery Area regions can be found on the [ministry website](#).

This fee increase limit will be reviewed and may be adjusted in future years, as needed, to make sure we're continuing to support our partners in delivering affordable, quality, and inclusive child care for families.

The changes will take effect December 1, 2022; however, it will NOT apply to any fee increases that were requested prior to this date. This change will streamline future fee increase requests, by replacing the nominal, regional and historical fee increase thresholds with a single policy of a standard annual fee increase limit.

To support keeping future fee increases at or below the fee increase limit threshold, child care providers will receive enhanced operational funding through increases to their provider payment rates. Information on exceptions will be provided in the revised Child Care Fee Reduction Initiative Funding Guidelines, closer to December 2022.

- **How will the fee increase limit work?**

Once implemented, child care providers participating in the Child Care Fee Reduction Initiative will be able to raise their rates by a maximum of 3% of the median fee charged in their service delivery area, annually. This approach strikes a balance between providing relief to parents while supporting child care providers with the increased costs of providing care.

Child care providers will also be supported through increased provider payment rates, ensuring they have the tools to continue to participate in the program.

- **How did you decide the fee increase limit would be 3%?**

The 3% fee increase limit is intended to make future fee increases for families relatively low, stable and predictable. When combined with the enhanced provider payment amounts, the fee increase limit of 3% will provide enough funding to cover the amount of revenue that providers would have otherwise collected through an average increase to parent fees.

- **Given current inflation, if fees are capped at 3% how can child care operators meet the increased operational costs?**

We recognize that child care providers, just like all other small businesses, are struggling with the rising cost of inflation. This is why we've structured these enhancements not only to reduce fees for families, but also to raise the provider payment for Child Care Fee Reduction Initiative providers (funding will double for group providers and increase by three-to-four-fold for family providers), so they can cover these rising costs. Effective December 1, 2022, all Child Care Fee Reduction Initiative providers will be able to raise their fees on an annual basis by 3% of the

regional median fee for their area. Note, the 3% fee increase cap does not apply to any fee increase requests received prior to December 1, 2022.

When combined with the enhanced provider payment amounts, the fee increase limit of 3% will provide enough funding to cover the amount of revenue that would have otherwise collected through an average increase to parent fees.

The fee increase limit will be reviewed and may be adjusted in future years, as needed, to make sure we're continuing to support our partners in delivering affordable, quality, and inclusive child care for families. Information on exceptions will be provided in the revised Child Care Fee Reduction Initiative Funding Guidelines, closer to December 2022.

- **What is the exception process for providers who need to increase their fees more than the fee increase limit?**

The fee increase limit streamlines the review and approval process for future fee increase requests by replacing the nominal, regional and historical fee increase thresholds with a single policy of standard fee increase limits.

Going forward there will be limited exceptions that may allow for a provider to request an increase slightly beyond the 3% fee increase limit. Information on these exceptions will be provided in the revised Child Care Fee Reduction Initiative Funding Guidelines, closer to December 2022.

- **Why is the fee increase limit based on the service delivery area median fee, instead of the 70th percentile fee, as is the case with new providers looking to enrol in the Child Care Fee Reduction Initiative?**

Last year, we introduced a requirement that all new providers looking to enrol in the Child Care Fee Reduction Initiative (or new to the Child Care Fee Reduction Initiative providers) must set their fees at or below the 70th percentile fee for their region. In contrast, the fee increase limit is the dollar amount by which providers that are enrolled in the Child Care Fee Reduction Initiative may raise their fees by, and remain eligible to continue to participate in the CCFRI.

The 70th percentile fee was chosen, because on average, new facilities tend to set their initial fees above the median for their area. The 3% median fee increase cap was chosen to keep future fee increases relatively small and predictable for families. In exchange for keeping future fee increases at or below the fee increase limit threshold, child care providers will receive significantly enhanced provider payment rates.

- **What happens if a Child Care Fee Reduction Initiative centre needs repairs or other major investments? How can they do this within a 3% fee increase?**

When combined with the enhanced provider payment amounts, the fee increase limit of 3% will provide enough funding to cover the amount of revenue they would have otherwise collected through an average increase to parent fees. If a provider is in a situation where they are experiencing sudden/unexpected costs that can't be covered through a combination of the 3% fee increase maximum, and the enhanced provider payments, they should contact the ministry to discuss their options. The exceptions policy will be outlined in the revised Child Care Fee

Reduction Initiative Funding Guidelines, which will be released closer to December. In addition, the [ChildCareBC Maintenance Fund](#) is also available to help licensed child care facilities in emergency circumstances for facility repair, replacement, or relocation.

- **Will fee increase limits make it hard to hire and pay qualified staff?**

Early Childhood Educators are the professionals at the heart of child care – and we can't deliver child care without them. Child Care Fee Reduction Initiative providers will receive enhanced support through the provider payment. For group providers, the rate will double, and for family providers, it will increase by three-to-four times. This enhanced funding can be used by providers to cover direct operational expenses related to delivering child care – including supplementing staff wages, at the facility's discretion.

The Province has also provided three wage enhancements to early childhood educators since the launch of the ChildCareBC Plan in 2018, with the latest increase doubling the current wage enhancement to \$4 an hour. The Early Childhood Educator Wage Enhancement will continue for providers, unaffected by the changes to Child Care Fee Reduction Initiative.

Wage enhancements are part of our larger strategy to recruit and retain more people to this rewarding and in-demand career. Budget 2022 provides nearly \$80 million over the next three years to expand this enhancement to all early childhood educators directly employed by licensed child care programs, including Supported Child Development and Aboriginal Supported Child Development professionals with early childhood educator certification.

- **Will funding be raised next year to keep up with inflation?**

The ministry will monitor the impact of these new policies, to make sure we're continuing to support our partners in delivering affordable, quality, and inclusive child care for families.

It's also important to note that providers don't need to use all their provider payment funds during the funding term it was received. Providers may defer any unused portion towards future anticipated operational expenses and increases to operating costs; however, the funding cannot be used as profit.

Child Care Fee Reduction Initiative and \$10 a Day ChildCareBC Centres

- **Why should I participate in the Child Care Fee Reduction Initiative, if government is expanding the \$10 a Day ChildCareBC program?**

Providers are encouraged to participate in either initiative to support families.

While the number of \$10 a Day ChildCareBC spaces will nearly double to 12,500 by December 2022, the process to expand \$10 a Day funding for all providers is anticipated to take multiple years. As we work to expand access to \$10 a Day funding for all providers, enhancements to the Child Care Fee Reduction Initiative will bring quick relief to roughly 70,000 families accessing care at facilities working with government to reduce fees for families.

- **Provider payments are being increased for Child Care Fee Reduction Initiative providers. What does that mean for \$10 a Day providers and will they also be getting increased operating funding?**

\$10 a Day ChildCareBC Centres already receive ministry funding to support 100% of their eligible expenses, less a \$10-a-day fee for each full-time enrolled space. In contrast, Child Care Fee Reduction Initiative providers receive the majority of their revenue to cover operational expenses through parent fees. These Child Care Fee Reduction Initiative enhancements will increase the amount of financial support that providers working with government to reduce fees for families receive, while also enabling them to charge significantly reduced parent fees.

If a \$10 a Day ChildCareBC Centre is experiencing an increase to their monthly operating expenses, they should contact their ministry liaison to discuss their options.

- **What are the main funding differences between the \$10 a Day ChildCareBC program and the Child Care Fee Reduction Initiative?**

This table highlights some of the key differences between the \$10 a Day ChildCareBC and Child Care Fee Reduction Initiative programs.

	\$10 a Day ChildCareBC Centres	Child Care Operating Funding and the Child Care Fee Reduction Initiative
Funding (to provider)	<ul style="list-style-type: none"> • Based on eligible expenses as negotiated under the funding agreement (fully funded, less \$10 a Day per full-time space), inclusive of the Early Childhood Educator Wage Enhancement 	<ul style="list-style-type: none"> • CCOF Base Funding; plus • CCFRI Provider Payment; plus • Early Childhood Educator Wage Enhancement
Parent Fees	<ul style="list-style-type: none"> • \$10 a Day or \$200/month for full-time care • \$7 a Day or \$140/month for part-time care 	<ul style="list-style-type: none"> • Monthly Maximum Parent Fee Reductions range from \$320 to \$900, per full-time enrolment, depending on the type of care accessed.

	\$10 a Day ChildCareBC Centres	Child Care Operating Funding and the Child Care Fee Reduction Initiative
		<ul style="list-style-type: none"> • Out-of-pocket parent fees vary based on the facility's starting fee • "Fee Floor" (with some exceptions): <ul style="list-style-type: none"> ○ \$10/day or \$200/month for full-time care ○ \$7/day or \$140/month for part-time care
Term of Funding	<ul style="list-style-type: none"> • 12-24 months 	<ul style="list-style-type: none"> • Up to 12 months
Fee Increase Limit	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • 3% of regional median parent fee, with limited exceptions
Ability to Combine with Other Affordability Programs?	<ul style="list-style-type: none"> • Affordable Child Care Benefit • Young Parent Program 	<ul style="list-style-type: none"> • Affordable Child Care Benefit • Young Parent Program
What happens in unexpected circumstances?	<ul style="list-style-type: none"> • Increased funding may be provided, if eligible as outlined in the \$10 a Day Policy Manual 	<ul style="list-style-type: none"> • Fee increases may be approved, if eligible, as outlined in the CCFRI Funding Guidelines

- **Can I apply to both the \$10 a Day ChildCareBC program and the Child Care Fee Reduction Initiative at the same time? What happens if I am accepted into both programs?**

Applications for the current round of \$10 a Day ChildCareBC Centres closed on August 18, 2022. Child Care Fee Reduction Initiative providers are encouraged to apply on future application intakes for the \$10 a Day program and, if accepted, will transition off of Child Care Operating Funding and the Child Care Fee Reduction Initiative and over to the \$10 a Day program.

- **I am concerned that if I apply to participate in the Child Care Fee Reduction Initiative or \$10 a Day ChildCareBC program, that our revenue and staff wages will decline as a result. Is this true?**

No. \$10 a Day ChildCareBC Centres are not required to reduce staff wages in order to participate in the initiative and are funded for 100% of their eligible operational expenses (including staff wages), less a \$10-a-day fee for each full-time space.

Requests from Child Care Fee Reduction Initiative facilities seeking to increase fees in order to increase staff wages are evaluated according to the policies set out in the [Child Care Fee Reduction Initiative Funding Guidelines](#). Once a facility is approved as either a \$10 a Day ChildCareBC Centre or a Child Care Fee Reduction Initiative facility, early childhood educators that work at the facility may also be eligible to receive a [\\$4 per hour wage enhancement](#).

Child Care Fee Reduction Initiative and the Affordable Child Care Benefit

- **What is the Affordable Child Care Benefit?**

The Affordable Child Care Benefit is an income-tested monthly payment to help eligible families with the cost of child care. Factors like income, family size and type of care determine how much families can receive.

Families with household incomes of up to \$111,000 are eligible to receive the Affordable Child Care Benefit and must apply to participate and renew their application each year.

- **How do the new fee reductions and the Affordable Child Care Benefit interact?**

The new fee reductions and the Affordable Child Care Benefit work together to lower the costs of child care fees for families and can be “stacked” to maximize the amount of savings. All eligible families will benefit from the fee reductions of December 1, 2022, and families with a household income of less than \$111,000 may receive additional savings through the Affordable Child Care Benefit.

For example, a dual-parent family with a household income of \$100,000 is accessing full-time care at a Group facility for their 18-month-old child, with their provider charging \$1,450 a month for child care.

- Effective December 1, 2022, the family is eligible to receive \$900 per month in fee reductions, bringing their monthly out-of-pocket child care fees to \$550.
- The family is also eligible to receive \$381 per month under the Affordable Child Care Benefit, further reducing their out-of-pocket expenses to \$169 per month.

- **Will there be any changes to the Affordable Child Care Benefit now that child care will be more affordable?**

No, there will be no changes to the criteria for the Affordable Child Care Benefit.

- **What do parents and providers need to do to ensure their Affordable Child Care Benefit continues to be calculated correctly?**

We recognize that benefit plans for families in receipt of the Affordable Child Care Benefit will need to be updated. The process to do this will be shared prior to implementation in December.

- **Will ACCB be terminated once BC achieves \$10 a Day child care?**

No, we will continue to support families who need extra help through the Affordable Child Care Benefit.

Contact Information and Staying Informed

- **How can I stay up to date on child care initiatives in B.C.?**

The [ChildCareBC website](#) has a variety of resources available with a dedicated section for [Child Care providers](#). We also encourage you to sign up for the [ChildCareBC Bulletin](#) to receive regular ChildCareBC updates to your inbox.

- **After reviewing the Frequently Asked Questions and the ChildCareBC website, I still have questions. Who can I contact to answer my questions?**

Child Care Fee Reduction: For questions specific to the Child Care Fee Reduction Initiative program, please call 1 888 338-6622 (Option 2).

General: For general ChildCareBC inquiries, please contact ChildCareBC.Engagement@gov.bc.ca.