



Affordability

Immediate Relief for Parents

How will the child care fee reduction work?

All child care providers who currently receive Child Care Operating Funding (CCOF) will receive their contract renewal in March. As part of that renewal, providers with infant/toddler care and care for 3- to 5-year-olds will be invited to join the new child care fee reduction initiative, which will be introduced starting in April 2018. Under the initiative, licensed providers will receive extra funding to reduce parent fees under the terms of their CCOF contracts by up to:

- \$350/month/space for group infant/toddler care
- \$200/month/space for family infant/toddler care
- \$100/month/space for group care for children aged 3-5 years
- \$60/month/space for family care for children aged 3-5 years

Parents using part-time care will also be eligible for the fee reductions. The initiative will include a contract requirement that would limit the amount by which providers can raise their fees and still be eligible for the fee reduction initiative.

We're reaching out to providers to explain how they can sign on to the initiative. Providers who opt in to the initiative get a 10% lift in their base CCOF rate in 2018-19 to put towards administrative and other operational costs. Once providers are approved to participate in the initiative, they must pass savings on to parents. This will be a requirement of their contract with the ministry.

There will be an exception process in place, by which any provider experiencing extraordinary circumstances can apply to the ministry for approval to increase their fees beyond those stated in their 2018-19 fee schedule. These requests will be reviewed on a case-by-case basis.

The child care fee reduction initiative takes effect on April 1, 2018. As we approach implementation, we will continue to provide information to parents and providers in order to ensure that both groups get the support they need from this program.

I'm a licensed provider – will I receive further operational supports through Budget 2018?

In addition to the funding for the child care fee reduction initiative, providers who choose to participate will be eligible for a lift in their CCOF base funding of 10% in 2018-19 to support operational expenses. This is the first increase in CCOF in 10 years.

I'm a licensed CCOF provider – how and when do I join?

When providers receive their 2018-19 contract for review, they will be able to join the new child care fee reduction initiative as part of their contract renewal. Information explaining the initiative will be posted on the program webpage and emailed to providers in the weeks leading up to contract renewal. Any questions about joining can be directed to the Child Care Operating Funding Program at 1-888-338-6622.

I'm a licensed provider – what if I don't want to join?

At this time, the new initiative is optional, and providers can choose to participate at any time. However, the initiative provides funding to help providers reduce their parent fees, which will help to keep their program competitive with other programs in their community, while also supporting the families in their programs by providing them with a break in their monthly child care costs. In addition, participating providers will receive a 10% increase on their current CCOF base funding.

Parents are encouraged to speak to their provider about the fee reduction and will be able to check the ministry website to see if their provider has joined the child care fee reduction initiative. More information will be available shortly.

A New Affordable Child Care Benefit

When can I find out more about this new affordable child care benefit?

The affordable child care benefit will be available starting in September 2018.

The benefit will be phased in, with amounts increasing over three years, beginning with licensed infant and toddler care (2018-19), then expanding to other licensed care types.

- For example, the maximum benefit amount will be \$1,250 for Licensed Group Infant care, up to \$1,060 for Licensed Group Toddler care, and up to \$1,000 for Licensed Family Infant/Toddler care.

More information on the details of the new benefit will be available in the coming months.

How is the new affordable child care benefit different from the current Child Care Subsidy Program?

The Child Care Subsidy Program is not adequately meeting the needs of families. It is inefficient and insufficient. As such, Government will end the Child Care Subsidy Program and introduce the new and improved affordable child care benefit program in September 2018. Parents who are currently part of the subsidy program will continue to be supported under the new benefit.

As we move towards a system of universal child care in B.C., we must deliver affordability relief for parents most in need. The new affordable child care benefit will do that.

The new benefit is different from the Child Care Subsidy Program in three key ways:

1. **Online Application:** Parents will be able to apply online through a simple application form that will speed up processing over the current fax-based process.
2. **Easy-to-Understand Eligibility:** The new benefit will streamline eligibility requirements – no more complicated formulas. Parents will be able to access information online to help estimate what they are eligible to receive.
3. **Higher payments:** The new benefit will pay higher rates than the subsidy program and will better reflect the real cost of child care – first for those using licensed infant and toddler care (2018-19), and then for those using care for three- to five-year-olds (2019-20).
 - Under the new benefit, many families with annual pre-tax incomes under \$45,000 should find their licensed infant and toddler child care costs are nearly free, with others finding their costs significantly reduced.
 - Families who earn between \$60,000 and \$80,000 in pre-tax income and who are using licensed infant care will be eligible to receive support that will result in their paying an average of \$10 per day per space for care.
4. **Available to more families:** The new benefit will be available to more families at higher annual pre-tax incomes – up to \$111,000.
 - By the end of 2020-21, the new benefit will help up to 86,000 parents with the cost of child care each month. That's over 60,000 more families than are currently being supported through the existing Child Care Subsidy Program.

Why are you providing both a child care fee reduction and an affordable child care benefit? How do these measures work together?

Our long-term vision is to create a system of universal child care in B.C. We need to move away from the existing patchwork of disconnected services and towards a system that provides access to quality and affordable child care to all families that need it. As we do this work, we know that families need immediate relief to help with the cost of child care. Our affordability measures aim to build up a system for all families (through the child care fee reduction program), while targeting increased affordability to families who are most in need (through the affordable child care benefit).

The combined impact of the two affordability measures will be significant. For example:

- From our annual survey of Group CCOF providers in 2016-17, \$1,250 is within the range of median parent costs for monthly Group Infant care in cities in the lower mainland. The following outlines a scenario for a single parent with an infant in Licensed Group Infant care:

Pre-Tax Income	\$45,000 per year	\$74,000 per year
Child Care Cost (Monthly)	\$1,250	\$1,250
Child Care Fee Reduction Program	\$350	\$350
Affordable Child Care Benefit*	\$900	\$900
Total Monthly Cost	\$0	\$0
Total Daily Cost	\$0	\$0

** The maximum benefit for Licensed Group Infant care is \$1,250/month, and is capped at the parent's cost per space.*

Won't increased eligibility and increased rates for the new affordable child care benefit simply encourage providers to raise their parent fees?

We recognize that fee increases are a concern, and we are looking at this issue as part of the implementation of the child care fee reduction initiative. We're reaching out to providers to explain how they can sign on to the initiative; we have already had a lot of interest from providers who want to participate.

Providers who opt in to the initiative get a 10% lift in their base Child Care Operating Funding rate in 2018-19 to put towards administrative and other operational costs. Once they sign their contract, they must pass savings on to parents. This will be a stipulation of their contract with the ministry.

There will be an exception process in place, whereby any provider experiencing extraordinary circumstances can apply to the ministry for approval to increase their fees beyond those stated in their 2018-19 fee schedule. These requests will be handled on a case-by-case basis.

The child care fee reduction initiative takes effect on April 1, 2018. As we approach full implementation, we will continue to provide information to parents and providers in order to ensure that both groups get the support they need from this program.

Increasing Affordability in the Future

How will the low-cost prototype child care sites work?

In addition to the provincial investments announced in *Budget 2018*, the Province has entered into an agreement with the Government of Canada, under the Bilateral Early Learning Child Care (ELCC) Framework, to flow approximately \$153 million in federal funding over three years to British Columbia. One of B.C.'s four priority areas for investment under this agreement is to increase the affordability of child care, beginning with infant and toddler care.

To achieve this priority, B.C. will invest \$30 million per year over two years (2018-19 to 2019-20) to support the introduction of universal child care by providing operational support for new early care and learning prototype sites, focused on infant and toddler spaces. Sites will be located around the Province and selected to represent a range of communities, including those that are currently under-served or with vulnerable populations.

Funding will be conditional on sites implementing fee schedules established by the Province. Parent fees will be scaled so the most financially vulnerable families receive the greatest benefit. It is expected that by March 31, 2020, approximately 1,786 child care spaces will be funded through this new model.

These prototype sites will provide valuable information on how government can build out universal child care in the coming years.

How will operators be chosen for the prototype sites?

The operators that are selected for these sites will be representative across the province in both urban and rural settings so that the prototype centres can test the model in a representative range of communities in B.C., including more vulnerable or underserved communities.

More information on the selection of these sites will be available in the coming months.

Access for All Families

Licensed Child Care for More Kids

How will this budget support the creation of new child care spaces in B.C.?

Budget 2018 provides an additional \$237 million over three years to build over 22,000 new licensed child care spaces in B.C. This, coupled with targeted investments through our Early Learning and Child Care (ELCC) Agreement with the Government of Canada, will bring our overall total investment in new licensed child care spaces to 24,000 over three years.

How will child care providers apply for this funding?

The ministry will expand and redesign the Child Care Major Capital Funding Program to provide a greater emphasis on supporting partnerships in the non-profit sector, with local governments, and with public-sector agencies.

The ministry will begin accepting applications through a continuous intake process, which is expected to result in more applicants throughout the year. More information will be available in May 2018 when the program launches.

Improving Flexibility for Families

What is being done to ensure that child care providers are able to keep operating?

Maintaining existing child care spaces is an important part of the overall accessibility plan. Measures include enhancements to the Ministry's Child Care Minor Capital Funding Program, which provides funding to child care providers for emergency repairs to existing facilities or equipment, and to support relocation costs if a facility is moving to another location.

These enhancements will expand funding and eligibility to include Family Child Care providers, and will help to support approximately 6,200 spaces per year to remain operational. More information will be available in April 2018.

What is being done to make it easier for families to find child care that suits their needs?

Starting in 2019-20, the ministry will provide enhanced funding through CCOF for child care providers to offer child care outside regular business hours, to support the many parents and caregivers in B.C. who have shift work or other schedules.

Co-locating child care on school grounds is an option that many parents prefer. The Ministry of Children and Family Development will work with the Ministry of Education and school districts to explore new opportunities for co-location. In addition, the Ministry of Education will pilot the offering of full-day child care in up to eight existing StrongStart BC Centres.

More information on these initiatives will be available in the coming months.

Improving Access for All Children

How will you make child care more inclusive and welcoming to children with special needs?

Federal investments through ELCC funding will help to enhance Supported Child Development (SCD) and Aboriginal Supported Child Development (ASCD) programs for children with special needs through a total investment of \$30 million. The investment is expected to support approximately 1,400 children by reducing waitlists for the SCD and ASCD programs.

More information on the program expansion will be available in the near future.

Will you offer any supports to young parents?

ELCC funding will also support enhanced funding for Young Parent programs across the province. A total of \$3 million over three years has been allocated to this program. More information on the program expansion will be available in the near future.

Indigenous-Led Child Care

What is being done to support Indigenous communities who need child care?

The B.C. government is guided by its commitment to the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) – supporting Indigenous peoples’ rights to self-determination and governance, including child care and early years services. We are committed to working with Indigenous communities to co-develop a vision for universal child care for Indigenous communities.

However, we know there are Indigenous children and families throughout B.C. who are facing service gaps – they need access to supports and services today. So, while we engage in longer-term transformative and systemic change with our partners, we are also acting quickly to offer more supports to Indigenous children, families and communities.

Will there be any funding to expand the Aboriginal Head Start Program?

Federal ELCC funding will support the expansion of Aboriginal Head Start (AHS) – a culturally based Indigenous child care model – through a \$10-million annual investment over three years that will support the creation of approximately 590 new licensed child care spaces by 2019-20.

AHS will be expanded beyond the current model to provide fully operational child care services with wrap-around family supports.

We also recognize the need to build capacity to deliver on this expansion; to that end, we are investing in education and training supports for early childhood educators, as well as a bursary program to support Indigenous people throughout B.C. to enroll in a range of programs that support the early years.

Quality Care for our Kids

Supporting Early Childhood Educators through Recruitment and Retention

What is being done to ensure there are enough educators to staff the new licensed child care spaces?

Early Childhood Educators (ECEs) are critical to the quality of early care and learning in licensed facilities. We cannot build a universal child care system without a qualified and well-supported workforce. The need for qualified ECEs will increase proportionately with the planned expansion of child care spaces across the province. That is why we are investing \$136 million in the ECE workforce.

We will start our work by seeking input from the sector to develop a workforce development strategy that includes a consideration of appropriate remuneration.

Our long-term vision is to create an ECE workforce that is well-trained, adequately compensated, and supported to deliver quality early care and learning for all our children.

How will this workforce development strategy be informed?

Government will start by leading a labour-market review to improve our data on wages and benefits in the sector. Currently, we know that wages and access to benefits vary across the sector, in both unionized and non-unionized settings.

We will also work with the sector to identify other human-resource strategies that are needed to attract and retain skilled and experienced early care and learning professionals.

What is being done in the meantime to recruit new ECEs and support current ECEs to improve their skills?

We aren't waiting to take action to support ECEs to work in the child care sector:

- First, through our ELCC Agreement with the Government of Canada, we will invest \$16.3 million into ECE education supports to help build capacity in the field, encourage new students to enter the field, build new professional development opportunities, and enable existing ECEs to upgrade their skills.
- Second, to allow more ECEs to get training, the Ministry of Advanced Education and Skills Training will expand ECE training programs in public post-secondary institutions.

Helping Existing Child Care Providers Become Licensed

How will you support unlicensed child care providers to upgrade to licensed providers?

Current Licence-Not-Required (LNR) providers looking to become licensed will be able apply for start-up grants access to help defray some of the costs of becoming licensed.

Providers will be able to apply for a grant that provides \$500 to cover costs associated with becoming licensed (e.g., first aid training, fees) and \$500/per space for equipment for up to seven spaces per provider, for a total \$4,000 per application.

Why is government continuing to provide funding for unlicensed child care through the affordable child care benefit?

For many families, unlicensed settings work for their family – particularly if they need part-time or flexible hours of care. For others, it may be their only choice, and we don't want to negatively impact families by making their care more expensive. We will continue to provide the new affordable child care benefit (at existing subsidy rates) to families utilizing Licence-Not-Required care.

It will also take time to build the amount of licensed child care that B.C. families need, and we don't want to reduce the access to child care. We will focus the majority of our funding on licensed child care, and Child Care Operating Funding will continue to only be available to licensed child care providers.

Additionally, grants will be available to Licence-Not-Required child care providers who wish to become licensed. Benefits for the provider to becoming licensed include families being able to access higher rates under the new child care benefit, plus the provider will be eligible to apply for Child Care Operating Funding as a licensed Family Child Care provider. This will help to increase the number of licensed child care spaces throughout the province.

Protecting Kids with Enhanced Accountability

How will you ensure that any child care providers who are breaking the law are held accountable?

As more child care spaces are created, there will be an increased need to license new facilities and ensure compliance with the *Community Care and Assisted Living Act* and Child Care Licensing Regulation.

Budget 2018 provides additional funding to Health Authorities, through the Ministry of Health, to increase the number of licensing officers to help meet the projected demand for licensing and compliance activities.

Will there be a reporting system that enables parents to find information on their child care providers?

To monitor safety in child care settings, the Ministry of Health is updating the *Community Care and Assisted Living Act* to support public reporting on illegal child care providers and equip parents with better information to inform their child care choices.

Joining Providers in Continuous Improvement

What will be done to ensure that child care in B.C. continues to improve?

The Ministry of Education will work to update and increase access to the BC Early Learning Framework (ELF) that will guide programming for children up to age eight in early care and learning, out-of-school, and school settings. Companion resources will also be available to assist parents in supporting healthy child learning and development.

In addition to updating the ELF, the Ministry of Education will also support better transitions for children into Kindergarten and the primary grades by developing more opportunities for shared professional learning between teachers and early childhood educators. The Ministry of Education will also meet with Deans of Education to explore the inclusion of early learning in elementary teacher training programs.

Work on updating the ELF has already started. Information about other Ministry of Education actions will be available in the coming months.

Working with the network of Child Care Resource and Referral Programs across the province, we will review their role in building a universal child care system in B.C.

To enhance data collection, and to inform future policy development, we will support the Human Early Learning Partnership (HELP) at the University of British Columbia to enhance the Childhood Experiences Questionnaire (CHEQ).

Building Partnerships, Delivering Care

What will be done to build more partnerships with communities and local governments?

The Ministry will provide support for community child care plans to inform local investments in new child care capacity.

As we build towards universal child care, we will need to consider an appropriate system of governance for the new system. This will be some of the work ahead of us in the years to come.

Additional Questions

Is this the \$10-a-day Child Care Plan? And if not, when will we see that?

Our plan over the long term is to deliver a universal early care and learning system that focuses on providing parents with access to affordable, quality child care, when and where it's needed.

The fact that we're not calling our plan the \$10-a-day plan doesn't mean that's not our ultimate goal.

As the Premier has said, \$10-a-day was what the child-care advocates called their well-researched plan. Our new plan embraces the vision and research behind the advocates' plan. It will serve the many needs and priorities of British Columbians over the coming years.

In the first three years of our plan, *Budget 2018's* new affordable child care benefit – together with the new child care fee reduction initiative – means that many parents who earn between \$0 and \$45,000 a year should find their licensed infant and toddler child care costs are free or significantly reduced.

And, families who earn between \$60,000 and \$80,000 per year and who use licensed infant care will be eligible to receive the benefit, too – this will result in their paying an average of \$10 a day per space.

Will there be any governance changes for child care? I heard that responsibility for child care would be moving to the Ministry of Education.

The Ministry of Children and Family Development (CFD) continues to have responsibility for child care policy and programs. The Ministry of Education will be working closely with CFD to identify opportunities to build more child care on school grounds. As we build our system of universal child care over the coming years, we will establish a system of governance as well.

How will the Early Learning and Child Care Framework Agreement with the Government of Canada support child care in B.C.?

Through the ELCC Agreement, B.C. will target funding to increase access to licensed child care, including:

- Supporting the creation of up to 1,370 new licensed infant/toddler spaces across 14 communities (approximately \$13.7 million over two years).
- Investing \$30 million per year for two years to operate prototype sites for affordable child care across the province.
- Expanding the funding to support education and professional development of ECEs by \$16.3 million in 2017-18 and 2018-19.
- Expanding culturally based Indigenous child care through \$10 million annually for three years to support the creation of approximately 590 new licensed child care spaces by 2019/20.
- Enhancing Supported Child Development (SCD) programs for children with special needs through \$10 million annually for three years to enhance funding and reduce waitlists for the SCD and Aboriginal SCD programs supporting about 1,400 children.
- Enhanced funding of \$1 million annually for three years for Young Parent Programs (YPP) to support approximately 220 young-parent families and their children.

What is in *Budget 2018* to support licensed child care providers?

Budget 2018 provides a number of supports to licensed child care providers, including:

- An ECE training fund to help build capacity in the field, encourage new students to enter the field, and enable existing ECEs to upgrade their skills.
- As part of the 2018-19 CCOF renewal, licensed providers will be able to participate in a new child care fee reduction initiative. Under the initiative, licensed providers will receive funds to reduce their parent fees, and will also receive a 10% lift to their CCOF base funding rate.
- Increased access to major capital funds to enable programs to expand and to create more licensed spaces.
- An expanded minor capital program.
- The development of a comprehensive workforce strategy that will begin to lay out a plan to address the recruitment and retention issues that have faced the child care sector for more than a decade.

What is in *Budget 2018* to support licensed Family Child Care providers?

Budget 2018 provides a number of supports to licensed Family Child Care (FCC) providers, including:

- As part of the 2018-19 Child Care Operating Funding renewal, licensed Family Child Care providers will be able to apply to participate in the new child care fee reduction initiative. Under the program, licensed family providers will receive funds to reduce their parent fees, and will also see a 10% lift to their CCOF base funding rate.
- Supports to upgrade their training to gain Early Childhood Education credentials.
- FCCs will be supported with a new training model to help them offer the best care possible.
- Access to minor capital funding.

What is in *Budget 2018* to support unlicensed providers?

Start-up funding grants will be available to help Licence-Not-Required providers to convert existing unlicensed spaces to licensed child care.

Benefits for the provider to becoming licensed include:

- Families being able to access higher rates under the new affordable child care benefit.
- Eligibility to apply for Child Care Operating Funding and participate in the new child care fee reduction initiative as a licensed Family Child Care provider.