



Federal and provincial governments have embarked on a major initiative to build systems of early learning and child care across Canada that meet high standards for quality, affordability, accessibility, inclusion, and flexibility. The success of this initiative will depend partly on whether changes to early learning and care meet the needs and expectations of parents.

*To learn about parents' views, the* Alberta Parent Survey on Early Learning and Child Care *was conducted in 2022 with over 1400 parents in Alberta with children younger than six years of age. Parents responded to a wide range of questions about early learning and care. The present report, one in a series based on this survey, is focused on affordability.* 

Parents in Alberta regard cost as highly important in making choices about early learning and care for their children, and many considered out-of-pocket fees to be unaffordable and a significant barrier to using child care services. Concerns about costs to parents are especially common in families with low and moderate incomes, but many higher-income families expressed cost-related concerns as well.

We close with recommendations about (a) ensuring that new policies support families with low incomes, (b) effective monitoring and accountability, (c) improving, not compromising, quality, (d) alternative approaches to funding, and (e) addressing affordability issues in concert with improvements in quality, accessibility, inclusion, and flexibility.



## Parents' Views About the Affordability of Early Learning and Child Care in Alberta

In 2017 federal, provincial, and territorial ministers in Canada agreed "to work toward a shared long term vision where all children can experience the enriching environment of quality early learning and child care that supports children's development to reach their full potential."<sup>1</sup> The ministers recognized that "the further development of early learning and child care systems is one of the best investments that governments can make to strengthen the social and economic fabric of our country," and they underscored the importance of early learning and child care (ELCC) for supporting children, families, and communities. The ministers agreed on a framework for building systems of ELCC that are based on five principles: quality, affordability, accessibility, inclusion, and flexibility. The framework was followed by a substantial, five-year financial commitment by the federal government to a Canada-Wide Early Learning and Child Care (CWELCC) plan.<sup>2</sup> Bilateral agreements between the federal government and individual provinces and territories soon followed.<sup>3</sup> Throughout the country, progress is being made on commitments toward improving ELCC, although headway has been uneven across provinces.<sup>4</sup>

High-quality ELCC would be of limited value if child care services were too expensive for many families. Indeed, the availability of high-quality, affordable ELCC is widely recognized as a key component in reducing and eliminating poverty,<sup>5</sup> enabling greater participation of women in the economy,<sup>6</sup> and promoting positive developmental outcomes in children.<sup>7</sup> The affordability of ELCC is central to all bilateral agreements. In Alberta, the provincial and federal governments have committed to reducing out-of-pocket parent fees for child care—that is, the fees parents pay—to an average of \$15 per day during the 2023-2024 fiscal year and to an average of \$10 per day by the end of the 2025-2026 fiscal year.<sup>8</sup> How Alberta will reach these goals is not yet clear, however.<sup>9</sup>

Given this schedule for reducing the fees paid by parents, information about the views of parents is both timely and critical. The success of affordability initiatives will depend partly on whether changes to early learning and care meet the needs and expectations of parents. How affordable do parents think their current child care arrangements are? To what extent does affordability affect the decisions families make about child care? As parent fees are reduced, what else is of concern to parents? How do parents' responses to

<sup>6</sup> Alexander, Beckman, Macdonald, Renner, & Stewart, 2017; Fortin, 2018

<sup>&</sup>lt;sup>1</sup> Government of Canada, 2017

<sup>&</sup>lt;sup>2</sup> Government of Canada, 2021b

<sup>&</sup>lt;sup>3</sup> https://www.canada.ca/en/early-learning-child-care-agreement/agreements-provinces-territories.html

<sup>&</sup>lt;sup>4</sup> Macdonald and Friendly, 2023

<sup>&</sup>lt;sup>5</sup> EndPovertyEdmonton, 2016, 2017; Government of Canada, 2021c; Raphael, 2020, Chapter 12; Thévenon, 2018

<sup>&</sup>lt;sup>7</sup> White, Prentice, & Perlman, 2015

<sup>&</sup>lt;sup>8</sup> Government of Alberta, 2023; Government of Canada, 2021a

<sup>&</sup>lt;sup>9</sup> See Bisanz (2023). The details of a funding formula have yet to be developed.



such questions differ depending on income, where they live, whether they receive a subsidy from the province to help pay their child care fees, and whether they are in oneor two-parent families? To explore parents' views, we report findings from the Alberta Parent Survey on Early Learning and Child Care, a province-wide survey of parents and guardians with young children. We also consider how well current plans for implementing ELCC in Alberta align with parents' views, and we provide several recommendations.

### Method

A survey of 1479 adults in Alberta was conducted by Advanis,<sup>10</sup> an independent market and social research firm. The survey was commissioned by the Edmonton Council for Early Learning and Care<sup>11</sup> and the Muttart Foundation,<sup>12</sup> in collaboration with the Community-University Partnership for the Study of Children, Youth, and Families (CUP).<sup>13</sup> Survey questions were designed by researchers at CUP. Some questions were taken from the Survey on Early Learning and Child Care Arrangements, conducted by Statistics Canada, to enable future comparisons.<sup>14</sup> Participants were parents or guardians of children 0 through 5 years of age who lived with them at least 50% of the time. Parents were randomly recruited from a panel of approximately 110,000 Albertans. The panel was randomly recruited and maintained by Advanis. Data were collected from May 30 through July 11, 2022. The survey contained a range of questions about ELCC. For this report, we focused on questions related to affordability. Throughout the report, *parents* refers to both parents and guardians.

For purposes of comparison, we categorized parents into four locations: the city of Edmonton; the city of Calgary; mid-sized and metropolitan municipalities; and rural municipalities. Mid-sized and metropolitan municipalities include (a) eight municipalities that are defined as cities within the metropolitan regions of Edmonton and Calgary<sup>15</sup> and (b) five municipalities or service areas that lie outside the metropolitan regions of Edmonton or Calgary and have populations greater than 60,000.<sup>16</sup> Rural municipalities include all areas not in the other categories.

Quantitative data were weighted to align with population proportions in the 2021 Canadian census<sup>17</sup> based on household income, location, and number of parents in the family (one or two). Throughout this report, percentages are based on weighted data.

<sup>&</sup>lt;sup>10</sup> <u>https://advanis.net/</u>

<sup>&</sup>lt;sup>11</sup> <u>https://www.ecelc.ca/</u>

<sup>12</sup> https://muttart.org/

<sup>&</sup>lt;sup>13</sup> <u>https://www.ualberta.ca/community-university-partnership/index.html</u>

<sup>&</sup>lt;sup>14</sup> <u>https://www150.statcan.gc.ca/n1/daily-quotidien/210407/dq210407b-eng.htm</u>

<sup>&</sup>lt;sup>15</sup> Airdrie, Beaumont, Chestermere, Fort Saskatchewan, Leduc, Sherwood Park and Strathcona County, Spruce Grove, and St. Albert.

<sup>&</sup>lt;sup>16</sup> Fort McMurray and Wood Buffalo, Grande Prairie, Lethbridge, Medicine Hat, and Red Deer

<sup>&</sup>lt;sup>17</sup> https://www.statcan.gc.ca/en/census/census-engagement/about/2021-census



In describing findings from the survey, we sought to identify patterns in the responses related to location, household income, number of parents, and whether parents reported receiving child care subsidies.<sup>18</sup> We omit reference to these demographic variables when sample sizes were too small to make inferences with reasonable confidence. Nonparametric statistical tests were used to guide inferences.

Two limitations should be noted. First, data were sampled at one period of time, so we could not make inferences about variations over time based on this survey alone. Questions about changes over time could be addressed if our survey questions were to be used in subsequent studies. Second, some groups of parents in our sample were not available in sufficient numbers to allow for useful inferences. Although our data were weighted to closely resemble certain population characteristics as described above, weighting cannot entirely compensate for inadequate numbers in some categories. For example, the responses of parents with very low incomes would be particularly helpful for understanding how these parents, who likely were experiencing poverty, view ELCC. The lowest category of household income in the survey was less than \$25,000 per year. The number of parents in our survey who fell into that category aligns with what would be expected, given the size of the sample and the percentage of households in Alberta with (a) at least one child under six years of age and (b) an annual income of less than \$25,000. This number is too small, however, to allow inferences about the views of parents in this income category with reasonable confidence. This problem is amplified when income level is considered in combination with other variables, such as location. Different approaches are needed to address this problem, such as surveys or qualitative studies with purposive sampling targeted at specific groups.

### **Findings**

#### Do parents find child care to be affordable?

Parents who paid for child care were asked how affordable their current fees were, using a four-point scale from Very Affordable to Very Unaffordable. Child care that is unaffordable becomes a significant issue for parents who want or need it.

• Overall, 32% considered their current fees to be (somewhat or very) unaffordable. This percentage was fairly consistent across different locations. Of the parents who judged their fees to be unaffordable, a majority had annual household incomes of

<sup>&</sup>lt;sup>18</sup> In Alberta at the time of data collection, full subsidies (\$266/child/month) were available for families with children in licensed, full-time care and with incomes less than \$120,000 per year. Partial subsidies, from \$106 to \$253 based on family income, were available for children in families with incomes from \$120,000 to under \$180,000 per year. Children attending licensed, part-time preschools were subsidized at a rate of \$125/child/month, regardless of family income. These subsidy rates came into effect in January 2022.

\$90,000 or more (66%), lived in two-parent families (84%), did not receive subsidies for child care (62%), and identified as white (68%).

- Parents in families with lower household incomes were more likely to consider child care to be unaffordable (Table 1).
- Parents without subsidies were somewhat more likely to consider their fees to be unaffordable (35%) than parents with subsidies (27%). Also, one-parent families were more likely to describe their fees as unaffordable (41%) as compared with two-parent families (30%).

# Table 1. Parents with Lower Incomes Are More Concerned about Cost ThanParents with Higher Incomes

	Household income		
Parents feel the cost of child care is	< \$75,000	\$75,000 - \$119,999	\$120,000+
Unaffordable <sup>a</sup>	42%	34%	27%
Important for choosing a child care arrangement $^{\mathrm{b}}$	65%	58%	53%
A barrier to finding child care <sup>c</sup>	77%	63%	45%
A reason for not using child care <sup>d</sup>	49%	35%	34%

a. "Overall, how affordable are the fees your family currently pays for childcare?" The number of parents who responded to this question, who reported paying for child care, and who provided information about income was 876.

- b. "If you were able to access any childcare arrangement, please rank the top three most important factors in making your decision." The percentages refer to parents who indicated that affordability was among the top three factors. The number of parents who responded to this question and who provided information about income was 1311.
- c. "What difficulty or difficulties did you have when trying to find child care arrangements?" The number of parents who responded to this question, who had indicated that they had experienced difficulties in the past three months, and who provided information about income was 330.
- d. "Please rank the top 3 reasons your family doesn't use childcare arrangements for one or more of your children aged 5 and under." The percentages refer to parents who indicated that affordability was among the top three factors. The number of parents who did not use child care, who responded to this question, and who provided information about income was 451.

#### Is the cost of early learning and care important to parents?

Parents were asked to rank the top three factors they would consider if they were able to access any type of child care arrangement. In the survey, "child care arrangement" referred to any type of regular care provided by someone other than a parent or guardian, not including occasional babysitting or time spent in school.



- Cost was identified as a top-three factor by a majority of parents (56%), slightly less often than the quality of the arrangement (58%) and slightly more often than location (48%).
- Cost was cited more often by parents from households with lower incomes than from households with higher incomes (Table 1).
- Cost was cited more frequently by parents in one-parent families (73%) than in two-parent families (54%), but frequency did not vary appreciably by location or subsidy status.

# How important is affordable cost to parents in choosing their current child care arrangements?

Parents were asked to report the top three reasons that affected the choice of their current child care arrangement.

- Overall, 43% ranked affordable cost as one of their top three reasons affecting their choice. Of the 12 reasons provided as options for this question, only two others, location (63%) and characteristics of the caregivers (53%), were cited more frequently.
- The percentage of parents who identified affordable cost as one of their top three reasons was fairly consistent across income groups and subsidy status. The percentage varied somewhat across location, however, with affordable cost identified most often in rural areas (51%) and least often in Calgary (38%).

#### Do parents face affordability barriers in finding child care?

Approximately one-quarter of all the parents in our sample indicated that they had difficulty finding child care in the past three months.

- Of the parents who reported difficulties, 59% indicated that finding affordable care was difficult.
- This percentage was generally greater for households with lower incomes (Table 1).
- This percentage did not vary much by location, number of parents, or subsidy status.
- Of the parents who reported difficulties finding affordable child care in the past three months and who described the impact of these difficulties,
  - $\circ$   $\,$  49% worked fewer hours than they would have otherwise,
  - $\circ$   $\,$  33% reported that they postponed or discontinued work,
  - $\circ~$  36% paid more for child care than they had wanted to pay and, importantly,
  - 39% quit looking for child care.



#### Is cost a reason for not using child care?

Approximately one-third of parents chose not to use a child care arrangement for at least one child.

- Of the parents who chose not to use child care, 37% reported that one of the top three reasons for their decision was that the cost is too high.
- This percentage was higher for households with lower incomes (Table 1). It was not related reliably to location or to number of parents.

#### Is the high cost of child care generally regarded as a problem?

Parents were asked whether they had concerns about child care in their community, neighbourhood, or area. About one-third responded affirmatively.

- Of the parents who reported concerns, a majority (59%, or 21% of all parents) cited the high cost of child care. This percentage was higher than the rate of concern about the availability of spaces (53%) or poor quality (40%).
- The percentage of all parents who reported concerns about the high cost of child care in their communities was lower in Edmonton (14%) than in other locations (22% to 24%) and lower for families with subsidies than without subsidies (16% versus 28%) but was not related to income or number of parents.

### **Conclusions and Recommendations**

The affordability of early learning and child care is important to Alberta's families in several ways.

- A third of parents found out-of-pocket fees to be unaffordable, an outcome that was especially pronounced in families with lower incomes. This finding is particularly concerning because the new subsidy rates—designed to make child care in Alberta more affordable under the federal-provincial agreement—was implemented a full five months before the survey was conducted. Parents who judged costs to be unaffordable were not limited to groups conventionally considered to be disadvantaged. For example, the majority had annual household incomes of \$90,000 or higher.
- 2. A majority of parents identified cost as one of the three most important factors they would consider if they could access any child care arrangement. Quality and location were also frequently noted. Cost was identified more often among families with lower incomes, but a majority of higher-income families also cited cost.
- 3. Four of ten parents considered cost to be important in choosing their current child care arrangements.



- 4. One-quarter of parents reported that they had experienced difficulties in finding child care in the past three months. Of these, the majority reported that affordability was an issue. Families with lower incomes were particularly likely to be affected. These difficulties caused significant disruptions to employment, and many parents simply quit trying to find child care. Failing to find child care can result in lower family income and greater stress-related outcomes than would be the case if appropriate child care could be found. Had the question about experiencing difficulties applied to a period longer than three months, more parents certainly would have reported difficulties.
- 5. Of the parents who chose *not* to use a child care arrangement for at least one of their children, over one-third cited the high cost of care as an important reason for their decision. This proportion was especially high among families with lower incomes.
- Among the many parents who expressed concerns about child care in their community, neighbourhood, and area, the majority cited high cost as a concern. High cost was cited more frequently than quality of care or availability of spaces.

Importantly, four of these six findings were related to income, indicating that families with lower incomes were generally more affected by the cost of child care. Results were less consistently related to location, subsidy status, and the number of parents in the family.

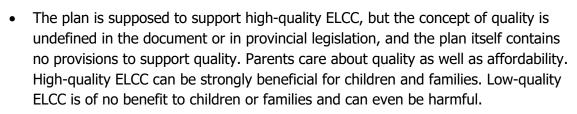
These findings underscore the importance of affordability in policies designed to expand early learning and child care in Alberta. The present survey took place several months after the provincial and federal governments began to implement the plan to begin reducing out-of-pocket fees for child care. Nevertheless, many families reported important concerns about the affordability of child care. The out-of-pocket cost of child care was considered unaffordable by one-third of parents and served as a barrier for many families, especially those with lower incomes. Given the large increases in costs of living during 2022 and continuing in 2023,<sup>19</sup> parents might judge child care to be even more unaffordable now than at the time of this survey.

Whether these concerns remain, and whether affordable child care will be implemented in a way that helps families avoid poverty, will depend on how the move toward \$10 per day child care is implemented.<sup>20</sup> The present plan in Alberta—the *Cost Control Framework and For-Profit Expansion Plan*—is the source of many concerns.<sup>21</sup> Three examples illustrate the problem.

<sup>&</sup>lt;sup>19</sup> https://www.bankofcanada.ca/rates/price-indexes/cpi/

<sup>&</sup>lt;sup>20</sup> For example, Cleveland and Krashinsky (2021) have shown that, even with a flat fee of \$10 per day, complementary policies are necessary to prevent unintended disadvantages for low-income families.

<sup>&</sup>lt;sup>21</sup> The current plan is described in the *Cost Control Framework and For-Profit Expansion Plan* (Government of Alberta, 2023). Several potential problems in implementing this plan have been noted (Bisanz, 2023).



- The plan is intended to contain costs by means of a funding formula that will determine the amount of public funding service providers will receive to cover most of the cost of ELCC services. The remainder (of ELCC service costs) will be covered by parental fees, which are supposed to reach an average of \$10 per day by 2025-2026. Unfortunately, (a) the formula rests on a distinction between costs for "core" services and costs for "enhanced" services, (b) this difference is as yet undefined, and (c) the costs of enhanced services are uncontrolled. Unless these problems are addressed, the cost-control framework would allow total, out-of-pocket fees for parents to exceed an average of \$10 per day and would be conducive to creating multiple levels of service. These outcomes would be entirely contrary to parental expectations and to CWELCC agreements and principles.
- Third, much of the plan depends on being able to determine the difference between reasonable and excessive profit or surplus. These concepts are undefined, however, so it is unclear how they can be implemented.

These problems and others raise the question of whether the current plan for implementing early learning and child care services will address the concerns many families have about affordability. As action plans are released for implementing changes to these services, parents and others will need to evaluate these changes closely to ensure that they help to move Alberta toward a system that is affordable but also high in quality, accessible, inclusive, and flexible.

### The Difference Between Cost and Affordability

The focus of this paper—and of government policies and plans—has been nominally on the affordability of ELCC for parents, but much of the evidence has involved cost. Affordability and cost are not the same, and the two should not be conflated. Child care that costs parents \$1000/month per child may be completely unaffordable for one family and easily affordable for another, depending on family income, the number of children in child care, and a host of other factors. Affordability, in contrast to cost, can be thought of as the fees paid by parents divided by family income or, even better, fees divided by family income and adjusted for other factors, such as subsidies and tax benefits.<sup>22</sup> Policies

<sup>&</sup>lt;sup>22</sup> Cleveland (2018, Chapter 5) defines the Family Income Affordability Measure (FIAM) as the ratio of early learning and care to family after-tax income minus any relevant child and family benefits. Cleveland used data from Ontario to identify the percentage of families for whom early learning and care was "affordable" (FIAM < 10%), "unaffordable" (10% < FIAM < 20%), and "completely unaffordable" (FIAM > 20%). The U.S. Department of Health and Human Services uses 7% to distinguish between affordable and unaffordable



that target only parental fees run the risk of minimally influencing affordability. For example, families with very low income, and who cannot access subsidies, may well find \$10 per day to be unaffordable given the rising costs of housing, food, and other essential expenses. What really matters to families is the affordability of child care services, not just their out-of-pocket costs.

#### Recommendations

Affordability matters to parents. The fees parents pay affect the ability of families to find and benefit from ELCC services. Because making these services affordable for all is a central goal of the CWELCC plan and federal-provincial agreements, the following recommendations merit consideration.

# 1. Plans to implement affordable child care should include special measures to ensure that new funding for early learning and child care helps families with low incomes.

Families with lower incomes are more likely than other families to view child care as unaffordable, to consider cost as an important variable in choosing particular child care arrangements, to have difficulty in finding affordable child care, and to cite high cost as a reason for not using child care. Given their income levels, these families are especially likely to experience considerable stress from the rising costs of housing, transportation, food, and other essentials. Problems in accessing affordable child care can only add to family stress levels. Measures to support families with very low incomes could include ensuring they receive subsidies that eliminate out-of-pocket costs, creating new spaces they can easily access, and removing other barriers.<sup>23</sup> All regulated child care services should be welcoming and accessible to all children and their families, including those families living on low incomes.

# 2. The provincial government should regularly monitor the effect of policy changes on affordability and cost for parents.

Effective monitoring is essential for accountability and for improving policies. Informative, reliable data are required. As researchers who have studied the implementation of CWELCC across the country have noted,

child care (see Hartley et al., 2022). Another option is the Caregiving Parent Affordability Measure, which reflects the relative cost of child care versus the increased income that would result from additional employment (Cleveland & Krashinsky, 2021).

<sup>&</sup>lt;sup>23</sup> For example, at present parents in Alberta must be working, looking for work, or attending school to be eligible for a subsidy (<u>https://www.alberta.ca/child-care-subsidy</u>). This requirement can be viewed as discriminatory toward parents who need assistance in paying for child care but who, for whatever reason, do not meet these requirements.



The availability of good data both for monitoring progress and for public accountability is important for two main reasons. First, much more substantial public funding is at stake with the introduction of billions of new public dollars for child care year after year. Second, the CWELCC initiative is the most important social policy development of the last few decades, so its success has significant political implications. Systematic collection and analysis are needed.<sup>24</sup>

Effective monitoring may require a review of the kinds of data that are collected.

- Monitoring should include both a clear definition of affordability and data-collection processes to assess affordability, as well as ways to assess out-of-pocket costs to parents.<sup>25</sup> Methods for measuring affordability now exist<sup>26</sup> and can be used to improve the affordability of ELCC by ensuring that policies are designed to consider factors other than cost to parents.
- Monitoring should provide information about uptake. For example, which service providers and families are benefitting from the opportunities afforded by increased funding, and who, if anyone, is being left behind?
- Monitoring should include data about the variability in measures, and not just averages. Averages are useful, of course, but reports based only on averages can obscure the full range of effects resulting from policy changes and can hide insights about factors that may have contributed to uneven outcomes.<sup>27</sup>
- Monitoring should include parents' views about the effect of policy changes as a function of income level, location, subsidy status, and other family- and community-level variables that could inform future changes to policies.
- Monitoring and data collection should be used in ongoing evaluations, with the goals of improving policies and practices.

The lack of attention to parents' views and needs is an oversight that may result in unaffordable child care for many families and especially for those with the lowest household incomes.<sup>28</sup> Questions from the present survey could be used to inform future provincial surveys, and the present data could serve as a baseline to determine how parents' views change over time.

<sup>&</sup>lt;sup>24</sup> Macdonald & Friendly, 2023, p. 12

<sup>&</sup>lt;sup>25</sup> Creating a clear definition of affordability to guide financing decisions is one of the recommendations made by the Canadian Child Care Federation, Child Care Now, the YMCA of Northern Alberta, and the Muttart Foundation (2021, Recommendation 18).

<sup>&</sup>lt;sup>26</sup> See Cleveland (2018, Chapter 5) and Cleveland and Krashinsky (2021).

<sup>&</sup>lt;sup>27</sup> Macdonald and Friendly (2023, Section 4) provide instructive examples of how data about variability in fees charged to parents can yield useful insights about the effectiveness of changes in funding policies.

<sup>&</sup>lt;sup>28</sup> A provincial consultation was conducted in 2020 to elicit parents' views (Ministry of Children's Services, 2020). Unfortunately, no quantitative results about affordability are provided in that report.



# 3. Reduced out-of-pocket costs for parents must not come at the expense of quality.

Parents clearly value quality as well as affordability. Measures for improving the quality of ELCC for children and their families must be put in place to ensure that quality is not sacrificed in service of reducing costs. Rather than focusing only on cost, an alternative and arguably better approach would be to identify the key elements of high-quality ELCC and then explore the federal and provincial investments necessary to support those elements while improving affordability, accessibility, inclusion, and flexibility. Fortunately, guidelines for improving quality and affordability are available.<sup>29</sup>

# 4. To manage costs and to ensure high quality, it may be necessary to consider alternative approaches to funding early learning and child care.

Alberta's current plan for implementing changes to ELCC—the *Cost Control Framework and For-Profit Expansion Plan*—has features that may make it difficult to ensure that outof-pocket fees for parents do not exceed the goal of \$10 per day on average.<sup>30</sup> Alternative approaches deserve attention. For example, five provinces and territories have already met the \$10-per-day goal, far ahead of schedule. All five use provincially set parent fees in combination with operating funds to providers.<sup>31</sup> In contrast, Alberta uses a combination of fixed grants to operators, parent fees that vary,<sup>32</sup> and subsidies to parents. The set-fee approach is widely regarded as superior in terms of administrative efficiency for providers, predictability for parents, transparency, and monitoring.<sup>33</sup> Alberta needs an approach that provides stable funding and that directly supports early learning and child care that is high in quality, affordable for families at all income levels, accessible, inclusive, and flexible.<sup>34</sup>

# 5. Issues of affordability must be addressed in concert with, and not separately from, issues of quality, accessibility, inclusion, and flexibility.

As the CWELCC plan reduces out-of-pocket costs for parents, demand for ELCC services will increase, which in turn will require more ELCC spaces and careful, planned allocation of spaces to meet demand. Creating more spaces will require an increase in the number of

<sup>&</sup>lt;sup>29</sup> Beach, 2020; Canadian Child Care Federation, Child Care Now, YMCA of Northern Alberta & Muttart Foundation, 2021; Childcare Research and Resource Unit, 2022; Macdonald & Friendly, 2023

<sup>&</sup>lt;sup>30</sup> Bisanz, 2023; Macdonald & Friendly, 2023.

<sup>&</sup>lt;sup>31</sup> The five are Manitoba, Newfoundland and Labrador, Nunavut, Quebec, and Saskatchewan. Two others, New Brunswick and Prince Edward Island, use set fees, and British Columbia is in the process of expanding a set-fee approach. See Macdonald and Friendly (2023).

<sup>&</sup>lt;sup>32</sup> The current commitment in Alberta is to an "average" parent fee of \$10 per day, not to a maximum fee of \$10 per day (Government of Alberta, 2023). Fees may vary, for example, according to whether services are deemed as "core" or "enhanced." Ambiguities affecting fee structure have yet to be resolved (Bisanz, 2003).

<sup>&</sup>lt;sup>33</sup> See Macdonald and Friendly (2022, 2023). Alberta had some experience with a limited version of this approach (Government of Alberta, 2016), which also ensured that parents with very low incomes paid no fees.

<sup>&</sup>lt;sup>34</sup> See, for example, the report and recommendations of the Canadian Child Care Federation, Child Care Now, the YMCA of Northern Alberta, and the Muttart Foundation (2021), and especially recommendations 14-19.



educated and qualified early childhood educators (ECEs), which in turn requires a plan to ensure that enough new ECEs are educated and current ECEs are retained to meet the demand. Alberta's current plan for increasing ELCC spaces<sup>35</sup> consists only of target numbers and fails to specify means for reaching those targets, for allocating spaces to areas most in need, and for ensuring a workforce sufficient for ensuring high-quality child care at those target levels.<sup>36</sup> Recent provincial initiatives—including space creation grants, affordability grants, and wage top-ups—might be considered as starting points for addressing these problems.<sup>37</sup> Alberta needs a comprehensive approach to implementing the CWELCC.

<sup>&</sup>lt;sup>35</sup> Government of Alberta, 2023

<sup>&</sup>lt;sup>36</sup> Bisanz, 2023

<sup>&</sup>lt;sup>37</sup> Information is available at <u>https://www.alberta.ca/federal-provincial-child-care-agreement</u> and https://www.alberta.ca/affordability-grants-for-child-care-programs.



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