



Still Unaffordable for Low-Income Families?

In Alberta’s new child care system, out-of-pocket fee reductions are smaller for lower-income families



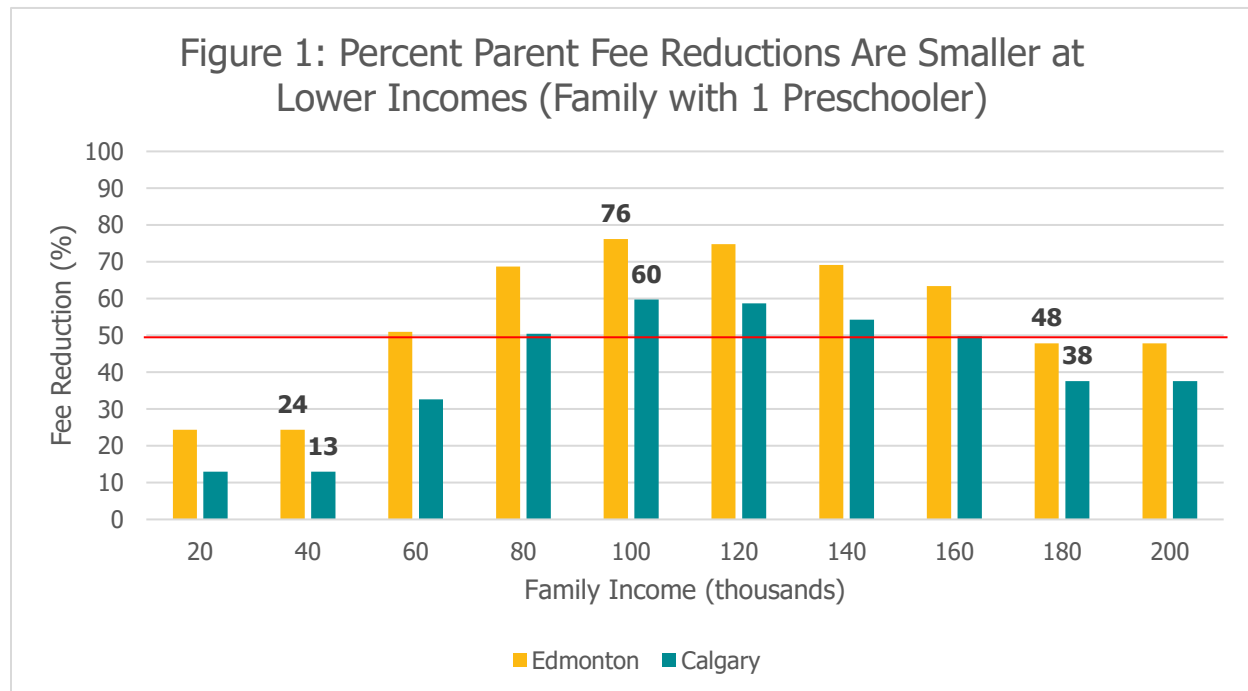
Author: Rob Buschmann

Date: December 2021

*The Government of Alberta has released its plan to reduce child care fees in Alberta by an average of 50% by early 2022. **Under this plan, every family’s out-of-pocket fees will decrease, but lower-income families will not see a 50% decrease—and some may see a decrease of less than 15%.** As a result, child care may still be unaffordable for lower-income families under the new system. There are several options for changing this situation.*

Uneven Fee Reductions

In the wake of signing an early learning and child care (ELCC) agreement with the federal government, the Government of Alberta is replacing its current ELCC subsidy system with a new system to reduce parent fees.¹ The Government of Alberta states this new system “reduces fees for parents of children not yet in kindergarten by an average of half beginning in January 2022.”² Using recently published information, out-of-pocket fees paid by parents for licensed ELCC under the new system can be compared with out-of-pocket fees paid by parents under the current system. Figure 1 below shows the percent reductions in what parents actually pay under the new system for a family with one preschooler in full-day, centre-based licensed ELCC at median fees in Edmonton (\$940 per month) and Calgary (\$1198 per month), with a red line showing a 50% reduction.³





Still Unaffordable for Low-Income Families?

Two clear conclusions emerge from Figure 1:

- 1. Under the new system, out-of-pocket fees for families will decrease at every income level.**
- 2. Under the new system, lower-income families will see less than a 50% reduction in their out-of-pocket fees—in some cases, much less.**

Broadly, the figure shows that out-of-pocket fee reductions for these families under the new system vary extensively based on income. At the lower end of the income range (less than \$50,000 per year) these families will see a reduction of considerably less than 50% from their current out-of-pocket fees (about 24% for an Edmonton family and 13% for a Calgary family).⁴ At the higher range (\$180,000 per year or more) the reduction is about 48% for an Edmonton family and 38% for a Calgary family. In between are generally where these families will see a 50% or greater reduction in their out-of-pocket fees from the current situation, though again the reduction in Edmonton is greater than the reduction in Calgary. This difference in reduction is *not* because Calgarians are receiving lower benefits than Edmontonians; as described in more detail below, it is because median ELCC fees are higher in Calgary.

It is important to note that the above conclusions hold true for all families with children not yet in kindergarten and in full-day, centre-based licensed care throughout Alberta. The exact fee reductions can change based on a few family-specific factors, described in further detail below. But in all cases, lower-income families will receive less than a 50% reduction in their out-of-pocket fees under the new system.

Why Fee Reductions Are Uneven

The uneven out-of-pocket fee reductions are a direct consequence of how the new system is designed. The current system relies almost entirely on income-based subsidies to reduce parents' out-of-pocket fees.⁵ There is also a relatively small (compared to the income-based subsidies to parents) operator grant that goes directly to programs; that grant is \$150 per occupied infant space and does not vary based on the family income of the infant occupying that space. Critically, this current infant grant is *not* specifically intended to reduce parent fees, and it is eliminated in the new system and replaced with a higher per-space infant rate.

In contrast, the new system relies much more heavily on operator grants that—like the current per-space infant grant—are not dependent on family income. Specifically, these operator grants are \$635 for an infant space, \$510 for a toddler space, and \$450 for a preschooler space.⁶ The base level of support provided by these direct grants is then “topped up” by a relatively small (compared to the operator grants) income-based subsidy to parents. Specifically, the fee subsidy is \$266 for each child living in a family with income under \$120,000 per year; once family income hits \$120,000 per year, the subsidy gradually declines until it disappears entirely at an income of \$180,000 per year. Unlike the current income-based subsidy, the new system's subsidy does not vary based on the child's age.

Overall, the new system relies much less on family income—or what could be seen as “need”—than the current system. The practical effect is that the dollar value of the total government assistance for lower-income families under the new system will be much closer to the dollar value of government assistance for middle- or upper-income families. The new system is more generous to more families overall, but is less sensitive to family need.

Apart from family income, there are several other family and program characteristics that can affect the actual percentage reduction in out-of-pocket fees for any particular family. These are:

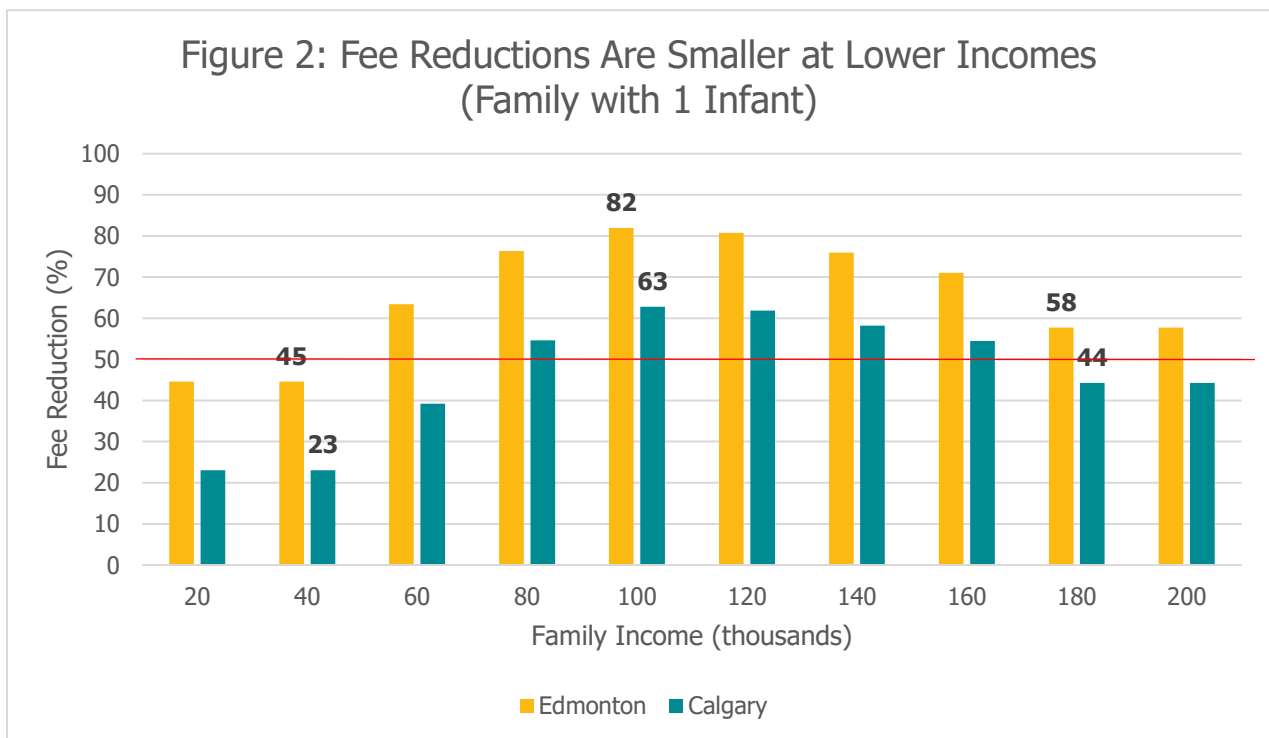
- *Program Fee.* The higher the fee, the smaller the percent fee reduction for lower-income families will be under the new system. This happens because the new system—like the current system—does not adjust government assistance based on the fees families are charged.⁷ This policy is why the percent



Still Unaffordable for Low-Income Families?

reduction for a family in Calgary is lower than a family in Edmonton: While Calgary’s fees are higher than Edmonton, the support from the Government of Alberta remains the same, leaving Calgary parents to pay more out of pocket. It is worth noting that this phenomenon will happen in any area of Alberta with higher fees—urban or rural.

- *Age of Child.* The younger the child, the greater the percent fee reduction for lower-income families. This effect is illustrated in Figure 2, below. If our example families from Figure 1 had an infant in care instead of a preschooler, the fee reductions for lower-income families increase (but they also increase for higher-income families).⁸ This happens largely because the per-space operating grant given to programs for infants is significantly greater than that given for preschool-age children.⁹ That said, the elimination of the current per-space infant grant may result in programs choosing to selectively increase their fees for infant spaces to make up for that loss.



In summary, though there are some wrinkles for individual families based on child age and program fee, the overall effect under the new system is that every family’s situation improves. But it improves less for lower-income families than for middle- and upper-income families—in some cases, *much* less.

What Uneven Fee Reductions Could Mean for ELCC Affordability

It is clear that the new system will result in very different fee reductions (both in percent and actual dollars; see Tables 3-6 in the Appendix) for Alberta families of different incomes. In particular, lower-income families will see the least improvement from their current situation under the new system. And because lower-income families will see the least improvement, that means **ELCC may still be unaffordable for some lower-income families under the new system.**¹⁰



Still Unaffordable for Low-Income Families?

“Affordability” here is measured by the percentage of after-tax family income consumed by fees that parents are paying out-of-pocket for ELCC, also known as the FIAM (Family Income Affordability Measure).¹¹ There is no universally accepted cut-off for what makes ELCC “affordable” by this measure, but one reasonable suggestion is less than 10% is “affordable”, 10-20% is “unaffordable”, and greater than 20% is “completely unaffordable.”¹²

In Alberta, under the current system, ELCC fees can eat up a large portion of after-tax income for families at nearly all income levels. This statement is true even for lower-income families receiving the maximum per-child subsidy in Alberta. Unfortunately, while the new system changes this situation greatly for some families, it does not change this situation much for lower-income families. To illustrate this problem with a concrete example, Table 1 shows FIAM for a Calgary family with just one child in preschool under the current system versus the new system.

Table 1: Family Income Affordability Measure (FIAM) for One Preschooler in Calgary at 2020 Median Fees (\$1198 per month): Current System, New System, and Change¹³

Gross Annual Income (\$)	Current FIAM (%)	New FIAM (%)	Change
10,000	34.2	29.7	-4.5
20,000	22.8	19.9	-3.0
30,000	17.6	15.3	-2.3
40,000	14.5	12.7	-1.9
50,000	13.2	11.0	-2.3
60,000	14.4	9.8	-4.6
70,000	15.4	8.9	-6.6
80,000	16.2	8.1	-8.1
90,000	18.2	7.4	-10.8
100,000	16.8	6.8	-10.0
110,000	15.6	6.3	-9.2
120,000	14.5	6.0	-8.5
130,000	13.6	6.0	-7.7
140,000	12.8	5.9	-6.9
150,000	12.1	5.8	-6.3
160,000	11.4	5.8	-5.7
170,000	10.9	5.7	-5.1
180,000	10.4	6.5	-3.8
190,000	9.9	6.2	-3.7
200,000	9.5	5.9	-3.6

Two things can be seen immediately from this table.

1. First, the new system makes ELCC much more affordable for this family at middle and higher incomes. Perhaps more importantly, under the new system, this family will be paying less than 10% of its after-tax income for ELCC. This is undoubtedly a good outcome for those families.
2. Second, the new system does not improve affordability much for this family if it makes \$60,000 or less per year (or \$180,000 or more per year). This is a much greater problem for this family at the lower end of the income range, though, because under the new system this family is paying about 10% or more of its after-tax income for ELCC. In addition, Table 1 only shows FIAM *for a single child in care*.

Table 2, below, shows comparable affordability numbers for this family with two children in care (an infant and a preschool-age child).



Still Unaffordable for Low-Income Families?

Table 2: Family Income Affordability Measure (FIAM) for One Infant and One Preschooler in Calgary at 2020 Median Fees (\$2633 per month total): Current System, New System, and Change

Gross Annual Income (\$)	Current FIAM (%)	New FIAM (%)	Change
10,000	56.8	46.2	-10.6
20,000	40.7	33.1	-7.6
30,000	32.8	26.7	-6.1
40,000	27.7	22.6	-5.1
50,000	25.4	19.7	-5.7
60,000	27.5	17.9	-9.6
70,000	30.0	16.7	-13.3
80,000	32.2	15.5	-16.7
90,000	36.8	14.4	-22.4
100,000	34.3	13.4	-20.9
110,000	32.1	12.5	-19.6
120,000	30.1	12.0	-18.1
130,000	28.4	11.9	-16.5
140,000	26.8	11.8	-15
150,000	25.4	11.6	-13.8
160,000	24.1	11.5	-12.6
170,000	23.0	11.4	-11.6
180,000	22.0	12.9	-9.1
190,000	21.1	12.4	-8.7
200,000	20.3	11.9	-8.4

While the patterns from Table 1 remain in Table 2—that is, ELCC becomes much more affordable for middle- and higher-income families than for lower-income families—there are a couple key differences. First, even under the new system, this family will still be paying above 10% of their after-tax income for ELCC in Calgary at all income levels of \$200,000 per year and below.¹⁴ Second, the affordability problems for lower-income families are magnified, as they now have two children in care rather than one. This issue emerges because the new system continues a per-child subsidy and in no way accounts for the situation of the family as a whole. Under such a system, as can be seen above, having more than one child in care will always raise the out-of-pocket fees paid by parents considerably, potentially resulting in ELCC becoming unaffordable quickly.

As with the out-of-pocket fee reductions described in Figures 1 and 2, some of the specific numbers above will change based on family situations and program fees, but the patterns are the same for all Alberta families. The overall take-away from these tables is that the new system improves affordability for all, but lower-income families—particularly those with more than one child in care—are still faced with out-of-pocket fees large enough that ELCC may remain out of reach.

What Can Be Done

There remain many questions about how the Government of Alberta’s new system will roll out in the coming months, and how programs and parents will respond. Before continuing, though, one potentially troubling issue must be addressed: fees in December 2021 (the date of writing of this brief) are likely higher than the fees used in this brief’s calculations.¹⁵ If program fees are higher right now than they were in 2020, the out-of-pocket fee reductions under the new system in Figures 1 and 2 are actually lower for all families, and FIAMs are higher for all families in Tables 1 and 2. In other words, all the troublesome trends noted in this brief are worse than they appear, and the new system will actually be less effective at reducing out-of-pocket fees for all families than shown here.

Even more disturbing is the possibility that programs may raise their rates considerably before a planned 3% cap on annual parent fee increases comes into effect in January 2022.¹⁶ Doing so would allow



Still Unaffordable for Low-Income Families?

programs to hedge somewhat against the possibility that their costs would exceed 3% annually and therefore not be covered by a 3% fee increase. Programs may also increase their fees to make up for the loss of the \$150 per-space infant grant that is being eliminated in the new system. If programs choose to increase their fees, the patterns above will remain true—that is, low-income families still will see a comparatively smaller reduction than middle- and higher-income families—but the actual percent reductions would be smaller than those seen in Figures 1 and 2, and FIAMs will be even higher than those seen in Tables 1 and 2.

Parents, particularly low-income parents, may find that the reductions in fees are still not enough to allow them to enroll their children in licensed ELCC. If this happens, lower-income families could find themselves scrambling to piece together child care from several sources for their children, or simply forgo placing their children in care altogether. The latter may be a reasonable option for some families, but for others, forgoing care could mean the difference between parents re-entering the workforce or continuing their education.

There are three main options for addressing the uneven fee reductions and their effects. The first two are shorter-term solutions that will force the Government of Alberta to engage in continual adjustments for the foreseeable future. The third is a longer-term solution that requires a fundamental change in the Government's approach, but is more likely to guarantee success in achieving ELCC affordability for all Alberta families.

- 1. Increase the amount of the income-based subsidy at lower incomes.** The most obvious option to address the uneven reductions is to immediately raise the amount of the income-based fee subsidy for lower-income families. Doing this would immediately reduce the amount that lower-income families would pay out-of-pocket for ELCC. This subsidy increase could either be done as a stand-alone option (in which case more funding would be required) or in conjunction with lowering the subsidy amount for higher-income families and/or lowering the per-space operator grants. It is entirely possible that shifting the new system to a more need-based structure could still accomplish an overall 50% average reduction in ELCC fees.¹⁷ In subsequent years, however, both the operator grants and the income-based fee subsidies would need to be carefully adjusted to ensure that lower-income families are not left behind.
- 2. Implement a defined fee cap and subsidy system.** Another way to ensure ELCC is truly affordable for lower-income parents is to limit programs to charging parents no more than a certain amount per day for a space (a "fee cap"). This amount would be clearly defined by the Government of Alberta, and operator grants would be given to make up the difference between the cost to the program of providing that space and the fee cap.¹⁸ In addition to these defined fee caps, children attending these programs would continue to receive fee subsidies based on their family income. If designed correctly, the combination of a fee cap and fee subsidies could reduce the amount that particularly low-income families pay to zero, and ensure that ELCC is affordable for all families.¹⁹ As with option 1, this system requires careful monitoring and adjusting of fee caps and subsidies to ensure ELCC remains affordable for lower-income families.
- 3. Create a publicly funded ELCC system with no parent fees.** A more comprehensive solution to ELCC affordability in Alberta is to create a fully publicly funded ELCC system, similar to Alberta's existing public K-12 educational system.²⁰ Such a system would eliminate the need for parents to pay any out-of-pocket fees altogether and would eliminate the continual adjustments described in options 1 and 2 above. Of course, such a system would still require considerable adjustments to funding—but those adjustments would be between operators and the Government of Alberta, much like adjustments are made every year for public schools and school district funding. Out of pocket costs for families, in this system, would be the same for everyone—that is, free.



Still Unaffordable for Low-Income Families?

This brief is part of a series of documents created by the Edmonton Council for Early Learning and Care to address current topics in early learning and care that impact Edmonton and Alberta. Rob Buschmann, PhD, is a Research Associate at the Community-University Partnership for the Study of Children, Youth, and Families (CUP) in the School of Public Health at the University of Alberta. Dr. Buschmann would like to thank those members of the ECELC and the Alberta and Canada ELCC policy communities who contributed their thoughts, ideas, and analysis to this brief—in particular, Dr. Gordon Cleveland, who contributed calculations and analysis for Tables 1 and 2.

Correspondence can be sent to info@ecelc.ca.



Still Unaffordable for Low-Income Families?

Appendix: Data Tables

Table 3: Parent Portion of Child Care Fees for One Preschooler at Median in Edmonton with 2020 Fees (\$940 per month): Current System vs. New System

Annual Income (\$)	Current Parent Portion (\$)	New Parent Portion (\$)	Change (\$)	Change (%)
10,000	296	224	-72	-24.3
20,000	296	224	-72	-24.3
30,000	296	224	-72	-24.3
40,000	296	224	-72	-24.3
50,000	328	224	-104	-31.7
60,000	457	224	-233	-51.0
70,000	586	224	-362	-61.8
80,000	715	224	-491	-68.7
90,000	940	224	-716	-76.2
100,000	940	224	-716	-76.2
110,000	940	224	-716	-76.2
120,000	940	237	-703	-74.8
130,000	940	264	-676	-71.9
140,000	940	290	-650	-69.1
150,000	940	317	-623	-66.3
160,000	940	344	-596	-63.4
170,000	940	370	-570	-60.6
180,000+	940	490	-450	-47.9

Table 4: Parent Portion of Child Care Fees for One Preschooler at Median in Calgary with 2020 Fees (\$1198 per month): Current System vs. New System

Annual Income (\$)	Current Parent Portion (\$)	New Parent Portion (\$)	Change (\$)	Change (%)
10,000	554	482	-72	-13.0
20,000	554	482	-72	-13.0
30,000	554	482	-72	-13.0
40,000	554	482	-72	-13.0
50,000	586	482	-104	-17.7
60,000	715	482	-233	-32.6
70,000	844	482	-362	-42.9
80,000	973	482	-491	-50.5
90,000	1198	482	-716	-59.8
100,000	1198	482	-716	-59.8
110,000	1198	482	-716	-59.8
120,000	1198	495	-703	-58.7
130,000	1198	522	-676	-56.4
140,000	1198	548	-650	-54.3
150,000	1198	575	-623	-52.0
160,000	1198	602	-596	-49.7
170,000	1198	628	-570	-47.6
180,000+	1198	748	-450	-37.6



Still Unaffordable for Low-Income Families?

Table 5: Parent Portion of Child Care Fees for One Infant at Median in Edmonton with 2020 Fees (\$1100 per month): Current System vs. New System

Annual Income (\$)	Current Parent Portion (\$)	New Parent Portion (\$)	Change (\$)	Change (%)
10,000	359	199	-160	-44.6
20,000	359	199	-160	-44.6
30,000	359	199	-160	-44.6
40,000	359	199	-160	-44.6
50,000	396	199	-197	-49.7
60,000	544	199	-345	-63.4
70,000	692	199	-493	-71.2
80,000	841	199	-642	-76.3
90,000	1100	199	-901	-81.9
100,000	1100	199	-901	-81.9
110,000	1100	199	-901	-81.9
120,000	1100	212	-888	-80.7
130,000	1100	239	-861	-78.3
140,000	1100	265	-835	-75.9
150,000	1100	292	-808	-73.5
160,000	1100	319	-781	-71.0
170,000	1100	345	-755	-68.6
180,000+	1100	465	-635	-57.7

Table 6: Parent Portion of Child Care Fees for One Infant at Median in Calgary with 2020 Fees (\$1435 per month): Current System vs. New System

Annual Income (\$)	Current Parent Portion (\$)	New Parent Portion (\$)	Change (\$)	Change (%)
10,000	694	534	-160	-23.1
20,000	694	534	-160	-23.1
30,000	694	534	-160	-23.1
40,000	694	534	-160	-23.1
50,000	731	534	-197	-26.9
60,000	879	534	-345	-39.2
70,000	1027	534	-493	-48.0
80,000	1176	534	-642	-54.6
90,000	1435	534	-901	-62.8
100,000	1435	534	-901	-62.8
110,000	1435	534	-901	-62.8
120,000	1435	547	-888	-61.9
130,000	1435	574	-861	-60.0
140,000	1435	600	-835	-58.2
150,000	1435	627	-808	-56.3
160,000	1435	654	-781	-54.4
170,000	1435	680	-755	-52.6
180,000+	1435	800	-635	-44.3



Still Unaffordable for Low-Income Families?

Endnotes

- ¹ Government of Alberta (2021a). *Federal-provincial child care agreement*. Available at <https://www.alberta.ca/federal-provincial-child-care-agreement.aspx>. The new system, as explained later in this brief, relies on two methods to reduce parent fees: an income-based fee subsidy and a per-space grant to operators that must be used to reduce parent fees. The current system relies almost exclusively on income-based parent subsidies. Throughout this brief, “current system” is used to refer to the system in place as of the writing of this brief. After the new system is implemented, the “current system” will become the old or past system.
- ² See Government of Alberta (2021a). It is unclear as of this writing whether the 50% reduction that the Government of Alberta is referring to is a 50% reduction from what parents are currently paying in Alberta including the current provincial subsidy system, or a 50% reduction in the current “sticker price” of ELCC in Alberta. In fact, before the federal-provincial agreement was signed, many lower-income families in Alberta were already receiving 50% (or more) off the “sticker price” of ELCC through the existing provincial subsidy system. This brief assumes that the provincial-federal agreement is intended to reduce fees from what parents actually are paying right now, rather than to give the provincial government credit for what its existing subsidy system is already doing. It is also worth noting that the Government of Alberta has not yet shown its estimates for how many families at each income level will receive an out-of-pocket fee reduction.
- ³ Median fees for Edmonton and Calgary for this report are taken from MacDonald, D. & Friendly, M. (2021). *Sounding the alarm: COVID-19's impact on Canada's precarious child care sector*. Ottawa: Canadian Centre for Policy Alternatives. Available at <https://www.policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2021/03/Sounding%20the%20alarm.pdf>. It is probable that current fees in December 2021 (at the writing of this brief) are actually higher, as ELCC fees tend to increase every year at a rate greater than inflation; see, for example, Buschmann, R. & Fischer-Summers, J. (2021). *Continuing an unwelcome trend: rising early learning and care fees in Edmonton*. Edmonton: Edmonton Council for Early Learning and Care. Available at <https://www.ecelc.ca/publications-archive/rising-early-learning-and-care-fees-in-edmonton>.
- ⁴ All numbers used in this figure are taken directly from Tables 3 and 4 in the Appendix. For more details on the calculations please contact the Edmonton Council for Early Learning and Care (ECELC) or the authors directly.
- ⁵ The maximum income-based subsidies in the current system for a child in full-day, centre-based licensed ELCC are \$741 for an infant (age less than 19 months) and \$644 for a preschooler (age 19 months to Grade 1); see Government of Alberta (2021b). *Child care subsidy*. Available at <https://www.alberta.ca/child-care-subsidy.aspx>.
- ⁶ Government of Alberta (2021a).
- ⁷ In the past, Alberta’s subsidy system did include an increased amount for families living in the Northeast region of Alberta to reflect higher ELCC prices there. That allowance was eliminated in August 2020, and the new system does not appear to have any way to account for geography in its financial support for families.
- ⁸ The data tables underlying Figure 2 are Tables 5 and 6 in the Appendix. Note that the *number* of children of the same age category in a family who are in ELCC does not affect the percentage reduction in fees. If our example family had two preschoolers in day care, the fee reductions by percent would be the same. This happens because the new system, like the current system, bases its support for parent fees on individual children rather than on families.
- ⁹ There are several issues with the new system that appear to be creating this phenomenon, with the differing size of the operator grants likely the most significant. For more details, please contact the ECELC or the authors directly.
- ¹⁰ For a greater exploration of affordability of ELCC in Edmonton and Calgary in particular, see Buschmann, R., Brown, M., & Cleveland, G. (2021). *Two ways to help: how the Liberal and Conservative early learning and child care plans would affect a Calgary family*. Edmonton: Edmonton Council for Early Learning and Care. Available at <https://www.ecelc.ca/publications-archive/two-ways-to-help>.
- ¹¹ There are other measures of ELCC affordability that can be used but this is the most common and generally the easier to understand. See Cleveland, G. (2018). *Affordable for all: making licensed child care affordable in Ontario*. Available at <http://www.childcarepolicy.net/wp-content/uploads/2018/03/AFFORDABLE-FOR-ALL-Full-Report-Final.pdf>.
- ¹² Cleveland, G. (2018).
- ¹³ Thank you to Gordon Cleveland for the calculations in Tables 1 and 2. For details on the method used for calculating FIAMs, please see Buschmann, Brown, and Cleveland (2021).
- ¹⁴ It is clear from the trends in this table that this family will need to make around \$250,000 per year (before taxes) or more for the cost of ELCC for an infant and a preschooler to drop below 10% of their after-tax income.
- ¹⁵ See note 3, above. It is possible, though not probable, that fees actually declined from 2020 to 2021; if that is true, then the troublesome trends in this brief are actually less troublesome in reality than they appear.
- ¹⁶ Government of Alberta (2021c). *Canada-Alberta Canada-wide early learning and child care agreement: Information for operators*. Available at <https://www.alberta.ca/assets/documents/cs-child-care-fact-sheet-for-operators.pdf>.
- ¹⁷ As of this writing, the Government of Alberta has not shared the calculations behind how the new system achieves a 50% average reduction in ELCC fees. Without such calculations it is impossible to determine whether shifting to a more need-based system can still achieve an average 50% reduction in ELCC costs across the province.
- ¹⁸ For example, if the fee cap was \$500 per month, and the cost of providing that space is \$1200 per month, the Government of Alberta would provide an operator grant of \$700 per month.
- ¹⁹ Another way to ensure affordability similar to this option would be to use a “geared to income” parent fee in combination with operator grants; for further details, see the “Financing” section of Canadian Child Care Federation, Child Care Now, Muttart



Still Unaffordable for Low-Income Families?

Foundation, and YMCA of Northern Alberta (2021). *Roadmap to a quality early learning and child care system in Alberta*.

Available at <https://muttart.org/reports/roadmap-to-a-quality-early-learning-and-child-care-system-in-alberta/>.

- ²⁰ Again, see Canadian Child Care Federation, Child Care Now, Muttart Foundation, and YMCA of Northern Alberta (2021), in particular Policy action #14 (“Fully and directly fund licensed child care centres and family day home agencies”). The policy option presented here is essentially this policy option in combination with a mandated elimination of all parent fees—which is essentially the same situation as exists in the current K-12 public school systems in Alberta.