

Dear Parents/Guardians,

Last year, the Province of British Columbia committed to reducing average child care fees for children kindergarten-aged and under with enhanced savings through the Child Care Fee Reduction Initiative (CCFRI).

We know child care needs don't end at five years old and that it is needed outside of school hours, that's why families with children in kindergarten and under in participating CCFRI centres started saving up to \$900 per month, per child, in December 2022. Earlier this year, government announced it was expanding CCFRI eligibility to include licensed preschool and school-age care starting September 1, 2023.

We are pleased to share the details of expanded eligibility for the Child Care Fee Reduction Initiative for your awareness and to provide you with information about the Affordable Child Care Benefit.

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### What's new:

The [Child Care Fee Reduction Initiative](#) was introduced in April 2018 as part of the Province's ChildCareBC plan to help reduce families' out-of-pocket costs for child care. Until now, fee reductions were only available to families with children kindergarten aged and younger in licensed child care programs, not including licensed preschool and school-aged care programs. [Sector data indicates that, on average, parent's out of pocket costs for child care for school-age children are lower than for children aged five and younger.](#) Fee reduction amounts may be different when comparing 0-5 savings and school-aged savings, but they result in similar average child care costs for families because school-aged care usually has a lower initial cost.

On September 1st:

- Child care fee reductions will be expanded to include children in Grade 1 and up enrolled in before- and after-school care, including before/after care as well as full day care on non-instructional days (e.g., Pro-D, winter/spring/summer breaks) and children enrolled in preschools;
- Licensed preschool and school-age child care facilities must apply and be approved to participate in the Child Care Fee Reduction Initiative to receive parent fee reductions of up to \$145 per month per child;
- The new fee reductions for eligible preschool and school-age care programs work together with the [Affordable Child Care Benefit \(ACCB\)](#) to lower the costs of child care fees for families even further and can be combined to add further savings for families who need it most.

Child care providers are our partners in providing access to affordable, quality and inclusive child care for families. To support child care providers in delivering critical care and fee reductions to families throughout B.C. and help lift up the sector, participating providers receive up to \$96 per month per enrolled space. These provider payments are in addition to [Child Care Operating Funding](#) and [parent fee reductions](#), and can be used for operational costs related to child care, including staff wages.

The ministry uses data from over 5,000 licensed child care facilities to determine provider payment amounts. The data shows that operational expenses are higher at group (centre-based) child care facilities compared to family (home-based) care. It also shows that as children get older, operating costs

go down which may be due to the lower teacher to child ratios required for children in kindergarten to age 12.

Provider payment rates were recently lifted to support providers who agree to limit annual fee increases to 3%. Provider payments, that are provided in addition to [Child Care Operating Funding](#) and [parent fee reductions](#), can be used for operational costs related to child care, including staff wages.

The amount that families pay after the fee reductions will depend on the fees charged by their provider, and the amount and type of care they access. Providers will receive up to the maximum fee reduction for each full-time enrolment, and/or a pro-rated amount for part-time enrolments.

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### **Learn more and next steps:**

We appreciate that families accessing child care will be eager to learn more about these exciting changes and we will be updating the [Child Care Fee Reduction Initiative website](#), including a new Child Care Fee Reduction Initiative Estimator, to better support providers and families closer to the beginning of the school year.

Families need to renew their [Affordable Child Care Benefit](#) application each year, typically in September. Parents of preschool and school-aged children in receipt of ACCB must provide the ministry with an updated monthly fee before September 2023 and are encouraged to do so as soon as possible to avoid payment interruptions. Children with benefit plans expiring before September 2023 can update their monthly fee by submitting a renewal application while those expiring after September 1 can submit an updated Child Care Arrangement Form. Parents can track the status of their request using the [My Family Services portal](#).

Providing access to affordable, quality, inclusive child care as a core service for all B.C. families is at the forefront of the Province's ChildCareBC plan, and we look forward to continuing to build a brighter future for families in British Columbia.

Sincerely,

ChildCareBC Stakeholder Engagement Team  
Child Care Division  
Ministry of Education and Child Care