

Alberta government warns childcare programs will lose grants in spring ^[1]

Author: Bench, Allison

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EXCERPTS

The UCP will be cutting a pair of programs meant to support childcare centres and workers in Alberta.

In a letter dated Dec. 11, Alberta Children's Services said that the Benefit Contribution Grant and the Staff Attraction Incentive programs would be discontinued on April 1, 2020.

The Benefit Contribution Grant is a program that offsets the costs of mandatory employer payroll contributions like the Canada Pension Plan, Employment Insurance, vacation pay and statutory holiday pay.

Specifically, the BCG was meant to target the contributions that are the result of additional staff support funding that is also paid for by the government.

For example, an employee of a childcare centre who is a supervisor would be eligible to receive an extra \$6.62 per hour from the government, up to 181 hours a month. That wage top-up will remain.

The part changing is that previously, the BCG would provide an extra 16 per cent of the staff support funding to cover the contribution amount for the extra top-ups — or about \$1.06 extra an hour for the supervisor example.

That means that without the BCG program, the childcare centres will have to pay those extra costs, potentially leading to fees increasing for parents.

"Given that this is already an underappreciated and underfunded field with 50 per cent turnover and a lot of gaps in terms of quality, accessibility and affordability, it's incredibly serious," Leah Tolman, executive director of City West Childcare & Community Support Society, said in Edmonton on Monday.

Tolman said that her centre will likely be receiving around \$30,000 per year less in total funding from the government. That means they'll have to either raise costs or reduce wages.

"It's on the backs of either educators or parents," Tolman said. "There's nobody else."

The government is also ending the Staff Attraction Incentive, which gave new, qualified staff members a bonus of \$2,500 at the end of a year of employment.

Qualified workers who had left the field and returned could receive the same bonus, but with a second payment at two years of employment of an additional \$2,500.

As of April 2020, that program will also end.

"This was completely unexpected," Tolman said. "We knew that there were lots of cuts coming... but given that this is such a vulnerable field and already so underfunded, we really didn't think this was possible."

In the letter, the UCP said the changes were to "ensure long-term sustainability of our programs and services."

In a statement to Global News, Children's Services Minister Rebecca Schulz said that the changes were made as part of a "fiscal management" choice.

"Our government is committed to responsible fiscal management and directing government funding where it is needed most," the statement said. "Therefore, the decision was made to discontinue the Benefit Contribution Grant and the Staff Attraction Incentive. We do not expect this to impact children and families who use licensed childcare."

The UCP budget tabled in October set aside \$1.6 billion for the Ministry of Children's Services, a figure they said is up \$94 million from 2018-19.

The budget also promised that the \$25-a-day pilot program for childcare would continue to the end of its initial three-year term and then would be reviewed.

“We anticipate receiving the data from the second year shortly, which will inform our decisions going forward,” Schulz said in a statement Monday. “However, we do remain concerned that the pilot did not track need, income, employment status or centre wait lists, so the utility of the data will be limited.”

The UCP also recently cut a subsidy meant to help stay-at-home parents.

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