

# Out-of-pocket child-care fees to be reduced by 50 per cent, on average, June 1 <sup>[1]</sup>

**Author:** Department of Education and Early Childhood Development

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## AVAILABILITY

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Excerpted from news release

FREDERICTON (GNB) – Families with preschool-aged children at designated New Brunswick early learning centres and homes can expect an average 50 per cent reduction in out-of-pocket fees beginning June 1 under the Canada-New Brunswick Canada-Wide Early Learning and Child Care Agreement.

“Today we are taking an important step towards reducing child-care fees for families so that every child, no matter their background, can develop the skills and receive the care they deserve from the very start,” said Education and Early Childhood Development Minister Dominic Cardy. “By supporting our child-care sector and increasing access, affordability, quality and inclusive practices for families, we are also supporting good-quality education, small businesses and our economy, as well as building on the success of the designation program that has increased the quality of learning in facilities.”

A standardized low-fee model will determine the amount operators can charge families. Families with children aged five and under attending designated facilities can expect the following reductions to average out-of-pocket costs for full-day early learning and care:

- From \$37.50 to \$19 per day for infants in small urban and rural areas
- From \$41.30 to \$21 per day for infants in large urban areas
- From between \$32.60 and \$31.30 to \$16 per day for preschool-aged children in small urban and rural areas
- From between \$36.70 and \$35 to \$18 per day for preschool-aged children in urban areas

“The Government of Canada’s goal is to ensure that, by the end of March 2026, all families in Canada, no matter where they live, will have access to regulated early learning and child care for an average of \$10 a day,” said federal Families, Children and Social Development Minister Karina Gould. “The reduction of fees announced today in New Brunswick is a meaningful step toward achieving that goal and will make a real difference for families across the province. We will continue to work with New Brunswick to help ensure that children have access to the high-quality, affordable and inclusive early learning and child care they need to succeed.”

The Parent Subsidy program has also been adapted to reflect the new low-fee model. It will continue to support low- and middle-income families by further reducing out-of-pocket costs.

When combined with the Parent Subsidy, the new low-fee model could reduce a family’s child-care costs by about \$14 per day on average, depending on their household income. This could reduce annual child-care costs by about \$3,900 per child for New Brunswick families. As of June 1, the provincial average daily cost of preschool care will fall to \$12.82 from the current \$25.21.

The department will continue working with operators over the next four years to ensure they have the resources they need, including support for early childhood educators’ training, recruitment and retention.

The Department of Education and Early Childhood Development also launched its new engagement website today. From late spring until fall 2022, department staff will hold a series of one-on-one meetings, focus groups and working groups, and conduct surveys to build an action plan for 2023-26.

These discussions will focus on how the needs of families can best be met by increasing access to and quality of preschool education. Written submissions will be accepted until the end of June.

“If we want to build a world-class education system, we need to promote continuity of learning, from birth to graduation,” said Cardy. “We want to hear from anyone in New Brunswick who is impacted by our child-care system. This includes families, child-care providers, businesses and partners across the education system.”

The federal-provincial funding agreement invests \$544 million over five years, aiming to provide New Brunswick families with \$10 per day child care, on average, by 2026. The federal government is providing nearly \$492 million while the provincial government is contributing \$53 million. This is in addition to the more than \$70 million invested annually in the province’s early learning and child-care

sector.

**Region:** New Brunswick <sup>[3]</sup>

**Tags:** child care fees <sup>[4]</sup>

universal system <sup>[5]</sup>

affordability <sup>[6]</sup>

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[1] <https://childcarecanada.org/documents/research-policy-practice/22/04/out-pocket-child-care-fees-be-reduced-50-cent-average-june> <sup>[2]</sup>

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