

New Brunswick asks daycares to pause creation of subsidized spaces until November ^[1]

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AVAILABILITY

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EXCERPTS

Just as daycare fees are about to be slashed in half for most parents starting on June 1 as part of a federal initiative to reduce child care costs, daycares in New Brunswick received a memo from the provincial government on May 10 saying they can't create new subsidized spots until at least November.

In late April, the provincial government announced child care fees for children five and under as part of a standardized low-fee model in preparation for a joint federal and provincial initiative to offer \$10-a-day daycare in 2026.

Spots that have already been created, or spots that have been requested by daycares before May 10th are unaffected by the change.

Education and Early Childhood Development Minister Dominic Cardy said in an interview on Thursday that this six-month pause is necessary to ensure subsidized child care spots are distributed equitably.

"We've gotta make sure that all the designated spots that are funded with public money don't all end up in the big centres that have already got lots of spots," he said.

"We need to make sure that the Acadian Peninsula, some other places in the province where there have traditionally been shortages, that those are addressed," he said, adding the province would be using the moratorium to consult with stakeholders on where best to place those spots.

Daycare operator JP LeBlanc, who owns several locations of Power Play Daycare in the Greater Moncton Area, says the moratorium complicates things for a daycare he's hoping to open in Moncton's Elmwood neighbourhood in 2023.

He's concerned he may not be able to offer subsidized spots in the new location, as he does in his current locations.

Subsidized spots make up roughly 45 per cent of the spaces at his daycares.

"Good luck if you're charging twice the price as the ones that are given the federal and provincial funding. Who is going to want to say long at that daycare? As soon as a (subsidized) spot opens up those kids will be moving on for the savings," he said on Thursday.

While he credits the provincial government for initiatives that have helped his industry like wage top ups for child care workers, LeBlanc said the moratorium makes his new daycare a risky investment.

"That right there, that's a tough one," he said. "I got a deposit on the land and now I have to go ahead and finish paying for the land because they won't wait until October."

He said his plan now is to forge ahead in hopes he can offer subsidized spaces after the moratorium.

Region: New Brunswick ^[4]

Tags: child care ^[5]

child care subsidies ^[6]

spaces ^[7]

Source URL (modified on 24 May 2022): <https://childcarecanada.org/documents/child-care-news/22/05/new-brunswick-asks-daycares-pause-creation-subsidized-spaces-until>

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