

# NWT: Yellowknife Day Care Association threatens to pull out of day-care fee subsidy program <sup>[1]</sup>

**Author:** Dulewich, J.

**Source:** CBC News <sup>[2]</sup>

**Format:** Article

**Publication Date:** 1 May 2023

## AVAILABILITY

Access online <sup>[2]</sup>

### Excerpts

Parents with the Yellowknife Day Care Association could see their child care fees rise dramatically if an agreement is not made between the association's board and the territorial government within the next year.

The Yellowknife Day Care Association sent a letter to the Education, Culture and Employment Minister R.J. Simpson in March stating the association would opt out of the fee-reduction subsidy by April 2024 unless the territorial government could guarantee total operating costs would be covered.

The association estimated a \$2.96 million operating cost for the 2023-24 fiscal year which would be shouldered by parents if the day care opted out of the subsidy.

That would amount to approximately \$2,000 per child per month, about double what previous costs were before the introduction of the subsidy, said Melissa Syer, president of the Yellowknife Day Care Association.

"That would not be the desirable outcome for anyone," Syer said.

The child care fee reduction subsidy was set to be in effect as of April 1, with the goal to provide funding to licensed early learning and child care programs to reduce childcare fees for families. The subsidy was a step toward an average of \$10-a-day child care in the territory by March 31, 2026.

But the Yellowknife Day Care Association says it needs to know all operating costs will be covered and that the government will allow for appropriate annual fee increases.

While the day care has always been partly subsidized by the territorial government, the new regulations ties previous funding with the new subsidy, Syer said, meaning all territorial funding would be lost if the day care opted out.

According to the April 2023 annual general meeting agenda, the department responded to the association's letter. Syer described the response as "quite comprehensive," but she declined to share any of the details. She said the board will meet to "discuss next steps" during the next board meeting at the end of May.

The day care subsidy is part of the federal government's \$10-a-day day care plan. Under that plan, the federal government funds provincial and territorial governments to implement the program over the coming years.

### Education department working with child care programs

Minister Simpson was not available for an interview.

A spokesperson emailed a statement that said the department "will be engaging with all licensed early learning and child care programs over the next year."

The spokesperson said government subsidies for licensed early learning and child care programs are higher now than ever before and noted that early childhood educators are valued professionals that ECE is committed to working with to ensure "these important roles are supported."

"There is a great deal of work underway which includes work to streamline funding and reporting processes and alleviate pressures on the sector," the emailed statement read.

### Child care sector already 'fragile'

The Yellowknife Day Care Association is not the only one with concerns around the territorial subsidy.

On April 26, the NWT Early Childhood Association sent a letter to MLAs highlighting concerns with the subsidy regulation — mainly if the

new funding model will adequately cover costs, and the potential fallout if not.

In the letter, the association said the childcare sector was already "fragile" and warned any increased burden brought on by the new regulations could "easily result in more closures and more barriers for the new programs that are desperately needed."

In addition to the "negative impact" on the childcare sector, the NWT Early Childhood Association accused the ECE of "not acting in good faith."

"We don't see in this process where the Ministry or Department have done any meaningful work around understanding the true costs of childcare and what high quality childcare programs would and should cost," the letter reads.

"Cementing this oversight in regulations will only further damage the sector, leading to more closures and the inability of new programs to open."

'The system is failing so much'

While the \$10-a-day child care subsidy announcement was widely celebrated, Patricia Davison, chair of the NWT Early Childhood Association said it would have made sense to address wages, staffing and infrastructure first.

"It's just so frustrating right now to be in the sector and see all this positiveness [when] the system is failing so much – it's just so overwhelming," Davison said.

Earlier this month, the association hosted a virtual event titled "Waiting" with about 70 families registered.

Families shared stories of not being able to go back to work because of lack of childcare; going on income support because they can't go back to work; partners who work opposite schedules in order to cover child care; and people leaving the territory altogether or sending their young children to another province so that families can continue to work.

"We've heard from families that they consider the system broken," Davison said, "and it needs to be fixed."

**Region:** Northwest Territories <sup>[3]</sup>

**Tags:** CWELCC <sup>[4]</sup>

subsidy <sup>[5]</sup>

operational funding <sup>[6]</sup>

parent fees <sup>[7]</sup>

workforce strategy <sup>[8]</sup>

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