

Increased eligibility and funding for the Alberta Affordability Grant for licensed child care programs

Moved by: Town of Hinton
Seconded by: Town of Sylvan Lake, Town of Nanton

WHEREAS access to stable, high-quality, affordable childcare is essential to families, municipalities, and the provincial and national economies;

WHEREAS Alberta is working to support a community-based system of quality, regulated early learning and child care, aiming for all families to have access to high-quality, affordable, flexible and inclusive early learning and child care no matter where they live;

WHEREAS municipalities across Alberta continue to face a child care shortage¹;

WHEREAS Alberta has a unique system in which not-for-profit, public and private/for profit operators play an important role in the delivery of high-quality regulated child care programs and services that Albertans value; and

WHEREAS eligibility for the Alberta Affordability Grant has recently changed to limit which new for-profit spaces will receive the remaining funding allocation.

IT IS THEREFORE RESOLVED THAT Alberta Municipalities advocate for increased eligibility and funding for the Alberta Affordability Grant for licensed child care, to ensure better access to high-quality, affordable child care in Alberta.

BACKGROUND:

Access to stable, high-quality, affordable childcare is essential to families, municipalities, and the provincial and national economy. Child care is primarily a provincial responsibility, however in recent years, the federal government has provided high-level policy and funding aimed at reducing parent fees, expanding services and strengthening quality. Through the Canada-Alberta Canada-Wide Early Learning and Child Care Agreement (CACWELCC), signed in 2021, spaces are increasing, however availability and affordability of child care continues to be an issue.

As part of the CACWELCC, the Government of Canada provides funding to Alberta, and the Province provides Affordability Grants to eligible licensed child care programs which reduce parents' fees to a standardized monthly flat rate. As of June 2025 the cost is \$326.25 per child attending daycare full-time (100 hours or more per month) or \$230 per month for part-time care.² Before the Affordability Grant, full-time centre-based child care spaces were typically upwards of \$1,000 per month.³

¹ [Community Child Care Coverage in Alberta](#)

² <https://www.alberta.ca/about-child-care-in-alberta#fees>

³ <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=4210005014>

Alberta has a mix of not-for-profit and for-profit daycares and under the CACWELCC, there is a maximum number of for-profit child care spaces eligible for the affordability funding. Alberta's government estimates the for-profit spaces cap may be reached by summer 2025 and has decided to limit which new spaces receive the remaining funding allocation. As of May 15, 2025, eligibility for the Affordability Grant changed to existing programs, applicants in the final stage of their licensing process, and new programs in communities with long waitlists (specifically, only Grande Prairie, Red Deer, Lethbridge, Fort McMurray or Canmore/Banff). The change does not affect the not-for-profit program stream, nor the process and criteria for licensing. It also does not affect existing programs with an Affordability Grant or Space Creation Grant.

It should be noted that both not-for-profit and for-profit daycare operators that receive the Alberta Affordability Grant are bound by the Cost Control Framework (part of the CACWELCC, implemented in 2023), which states that operators may generate a profit, but the surplus earnings, or other resources, are to be directed towards improving child care services rather than for the personal benefit of owners, members, investors, or to enhance asset growth.

Entrepreneurs across the province⁴ who have invested significant resources into developing for-profit daycare programs, some in the late stages of development and licensing, have recently been notified that they are no longer eligible for the grant, causing stress and financial hardship. This will also negatively affect parents, as any new for-profit child care spaces that do not meet the new Alberta Affordability Grant criteria will not be eligible for the funding, meaning that parents who have children enrolled in those spaces will not see their child care fees reduced.

Access to affordable child care continues to be a challenge in municipalities across Alberta. The Community Child Care Coverage in Alberta⁵ report, released in June 2024, stated that only 32% of communities have adequate child care coverage.

The Province aims to increase the number of licensed child care spaces by 68,700 net new spaces for a total of 171,700 affordable child care spaces for Alberta families by March 2027. Between November 2021 and April 2025, 41,800 new child care spaces opened in Alberta⁶ to make a total of 144,800 spaces. The distribution of these spaces is reported as follows:

- 12,600 facility-based non-profit spaces (46% of the 28,000 non-profit cap)
 - Additional 2,600 non-profit spaces approved but not yet open
- 8,100 family day home spaces (56% of the 14,500 day home cap)
- 21,100 for-profit spaces (80% of the 26,200 non-profit cap*)
 - * Does not include for-profit spaces that have been previously approved for a Space Creation Grant but are not yet open. This is approximately an additional 3,000 allocated spaces.

In order to reach Alberta's affordable child care spaces target and improve access to affordable childcare, it is essential for the Province to increase eligibility and funding for the Alberta Affordability Grant for licensed child care.

⁴ <https://www.cbc.ca/news/canada/calgary/alberta-daycare-childcare-federal-agreement-final-for-profit-spaces-1.7540331>

⁵ <https://www.alberta.ca/system/files/jet-community-child-care-coverage-in-alberta-report.pdf>

⁶ <https://www.alberta.ca/federal-provincial-child-care-agreement>



ALBERTA MUNICIPALITIES COMMENTS

To be completed by ABmunis.

RESOLUTION CONTENT

Prior to the vote at ABmunis' Convention, any questions about this resolution may be directed to:

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