



September 12, 2006

Ref: 156763

Dear Parent and Child Care Provider:

With a new school year now underway, it is important to provide child care providers and parents with some assurances with respect to child care. I would kindly ask that this letter be shared with the parents of the children to whom you provide services.

Protecting our most vulnerable families is a priority. To that end, the Child Care Subsidy Program for parents will be protected and maintained by the province. As a result, those receiving subsidy will continue to receive subsidy, and the increased subsidy rate and income threshold will remain in place. In September 2005, the province increased subsidy rates to assist parents to cover the cost of child care as well as increasing the subsidy threshold from \$21,000 to \$38,000.

Furthermore, the \$100 a month Universal Child Care Benefit which parents are now receiving will not be considered as income when determining eligibility for child care subsidy. In other words, it will not affect eligibility to receive subsidy for child care, or the level of subsidy you will receive.

If you are already receiving the Canada Child Tax Benefit, the Universal Child Care Benefit will be sent to you automatically. If not, you must enroll to receive this payment by submitting a completed Canada Child Tax Benefit application, which is available on the Canada Revenue Agency Web site at www.cra-arc.gc.ca or by calling toll-free 1-800-959-2221.

Despite the cancellation of the federal Early Learning and Child Care Agreement which represents a loss of \$455 million in federal funding, this letter is to also reassure parents and child care providers that, in addition to maintaining the increases to subsidy over the long term, the province will endeavour to maintain all other child care services to the end of the current school year.

Moving forward, the Province will continue to look at innovative ways to ensure British Columbia families have a range of quality, flexible and inclusive child care options to accommodate the loss of federal funding.

Yours with kindest regards,

A handwritten signature in black ink, appearing to read "Linda Reid".

Linda Reid
Minister of State