

December 6, 2007

Dear Director:

It is my great pleasure to provide you with further information on five announcements made on November 21, 2007 by the Premier of Nova Scotia, the Honourable Rodney MacDonald, and me. As both a parent and an educator, I am committed to ensuring the Department's 10-year Early Learning and Child Care Plan brings tangible results to Nova Scotia families. After many months of very hard work, these results are now able to be announced and implemented. The announcements made on November 21, 2007 will enable more children to have the best start in life by: enabling more licensed child care spaces, implementing a plan to keep and recruit trained staff, and to help families better afford the cost of licensed child care.

The Expansion Loan Program, launched in May 2007, has recently approved several applicants across the Province. On completion of these planned expansions, our investment of \$4M will develop approximately 500 new spaces. We planned these expansions around the need of Nova Scotians, looking at areas of need both from a demographic basis, and a need for spaces for particular age groups. We are pleased to announce that we intend to create about 225 spaces in the Central region of the Province, about 80 spaces in Cape Breton, about 90 spaces in the Northern region of the Province and about 120 in Western Nova Scotia.

We know your challenges around recruiting and retaining staff here in Nova Scotia. We also know that this challenge is felt across the country. With the addition of about 500 needed spaces across the Province, this highlights the need for more educators working in our facilities. To support this, we are developing a recruitment and retention strategy to encourage potential teachers to enter or re-enter the field of early childhood education and to retain existing staff. We intend to roll out our strategy and related plan in April 2008.

We are also enhancing the existing Stabilization Grant to provide more funding to licensed child care facilities. We expect to spend an additional \$500K this year, which will be retroactive to April 1, 2007. We intend to get this funding to the sector in March 2008. This increased funding will enhance staff wages based on the level of early childhood education. We will be increasing the portion allocated to early childhood staff identified as Early Childhood Education diploma or degree trained by \$500 annually. We will be increasing the portion allocated to staff identified as equivalent to trained by \$200 annually and increasing the portion allocated to untrained staff by \$200 annually.

As well, we are pleased to announce that we are extending the Child Care Operating Grant funding to include school-age children. This grant, introduced in April 2007, also provides support to wages and benefits of child care facility staff. This funding component of the grant for school-age will be \$2 per day per occupied space. This funding will be implemented on January 1, 2008 and will be retroactive to April 1, 2007 for those centres that have already applied and outlined their school-age occupied spaces.

The initial step in the multi-year child care subsidy initiative will introduce changes to the rules around income eligibility for subsidized child care. These changes will enable more families to access child care subsidy, helping us reach the goal of more accessible and affordable child care for Nova Scotia families. The Department will use the federal Canada Child Tax Benefit and National Child Benefit program to form the basis for the new income eligibility levels. Furthermore, we will be changing to the federal definition of net income. This calculation of net income will be based on line 236 of the T1 general income tax form. This is the direction that many of our provincial counterparts have adopted or are considering.

While the new model for income eligibility will be different from the current model, this new income eligibility criteria increases the income ranges for all family compositions making more families eligible for child care subsidy. For instance, it will increase most income eligibility criteria for families by upwards of 10 per cent and for the one child family, which we know make up many of our clientele, the income levels will be made more generous by upwards of 50 per cent. Applications for families that wish to apply under the revised criteria will be accepted after March 31, 2008. More specifics on the revised criteria will be made available early in the New Year.

In conjunction with the revised income eligibility criteria, we will also be lowering the assessed daily parent fee from \$2.25 per day per family to \$1.00 per day per family, which will lower child care expenses for all families who qualify for subsidized day care. This will go into effect on April 1, 2008.

We anticipate more families to apply and qualify for subsidized spaces with these revised criteria. The Department intends to conduct ongoing reviews of the number of subsidized spaces that are utilized to ensure that we do not unintentionally create a waitlist for subsidized spaces. We do intend to announce more spaces in the spring and will keep you posted on that.

For the full text of the November 21, 2007 media release, please review our web site - <http://www.gov.ns.ca/news/details.asp?id=20071121003>.

More information about Nova Scotia's 10-year Early Learning and Child Care Plan can be found on our web site at <http://www.gov.ns.ca/coms/families/ELCCProgram.html>.

The Early Learning and Child Care Portfolio team is working hard at implementing these enhancements and programs. As we move forward into Year Three of the Plan, the Department looks forward to keeping you up-to-date as we continue to implement Nova Scotia's 10-year Early Learning and Child Care Plan. Please stay tuned for further announcements as we forge ahead.

Sincerely,

A handwritten signature in cursive script that reads "Judy Streach". The signature is written in black ink and is positioned centrally below the word "Sincerely,".

Judy Streach