



# Designated Centre – Parent Subsidy

## What is the designated centre – parent subsidy?

The designated centre – parent subsidy is a financial support program provided by the government of New Brunswick for low and middle-income families to help offset the costs of child care. The subsidy for children attending a designated centre helps to address the issue of affordable childcare to New Brunswick families.

The New Brunswick Early Learning Centre Parent Subsidy results in two outcomes:

1. No family in New Brunswick will pay more than 20% of their gross annual household income to cover early learning child care costs while their child is attending a New Brunswick Early Learning Centre. This increases supports for families with multiple children under five years of age.
2. Free daycare for preschool aged children for eligible families with a gross annual household income under \$37,500 attending a New Brunswick Early Learning Centre, regardless of the location and fee charged by the operator.
3. The maximum subsidy for families earning \$37 501 and more is \$36.90/day for infant spaces and \$31.20/day for preschool spaces.

## Who does this benefit?

Families of low and middle income, especially those with multiple children under the age of five will see an increased benefit as a result of not paying more than 20% of their gross annual family income.

## Why is it being done?

As part of the New Brunswick Child Care Review Task Force Report, it was noted that parents voiced their concerns over the rising costs of childcare in New Brunswick. The new measure will ensure childcare becomes more affordable to more New Brunswick families.



### Example #1 – A family with one infant, one preschooler; gross family income = \$37 501

	Annual Costs with Daycare Assistance Program (In non-designated centres)	Annual Costs with Low Fee Policy (in designated centres)
<b>Assuming daily rate (\$39.00 / day infant \$33 / day preschool)</b>	\$18 720 / year	\$18 720 / year
<b>Subsidy (260 days assumed)</b>	\$12 032.80 (\$25.01 / day infant \$21.27 / day preschool)	\$ 17 705.17 (\$36.90 / day infant \$31.20 / day preschool)
<b>Parent pays</b>	<b>\$4 542.20 / year</b>	<b>\$ 1 014.83 / year</b>

### Example #2 – A family with one infant, one preschooler; gross family income = \$57 000

	Annual Costs with Daycare Assistance Program (In non-designated centres)	Annual Costs with Low Fee Policy (in designated centres)
<b>Assuming daily rate (\$39.00 / day infant \$33 / day preschool)</b>	\$18 720 / year	\$18 720 / year
<b>Subsidy (260 days assumed)</b>	\$2 852.20 (\$5.94 / day infant \$5.03 / day preschool)	\$7 319.00 (\$14.75 / day infant \$12.51 / day preschool \$0.89 income cap)
<b>Parent pays</b>	<b>\$15 867.80 / year</b>	<b>\$11 401 / year</b>



### Example #3 – A family with one infant, one preschooler; gross family income = \$75 700

	Annual Costs with Daycare Assistance Program (In non-designated centres)	Annual Costs with Low Fee Policy) (in designated centres)
<b>Assuming daily rate (\$39.00 / day infant \$33 / day preschool)</b>	\$18 720 / year	\$18 720 / year
<b>Subsidy (260 days assumed)</b>	\$590.20 (\$1.23 / day infant \$1.04 / day preschool)	\$3 580.20 (\$6.13 / day for infant \$5.20 / day for preschool \$2.44 income cap)
<b>Parent pays</b>	<b>\$18 129.8 / year</b>	<b>\$15 139.80 / year</b>

### Example #4 – A family with one infant, two preschoolers; gross family income = \$90 000

	Annual Costs with Daycare Assistance Program (In non-designated centres)	Annual Costs with Low Fee Policy (in designated centres)
<b>Assuming daily rate (\$39.00 / day infant \$33 / day preschool)</b>	\$27 300 / year	\$27 300 / year
<b>Subsidy (260 days assumed)</b>	\$0.00	\$9 300.20 / year (\$35.77 income cap)
<b>Parent pays</b>	<b>\$27 300 / year</b>	<b>\$17 999.80 / year</b>

### For information

1 888 762 8600

