



ALBERTA

Education
and Childcare

*Office of the Minister
MLA, Calgary Bow*

AR 131128

October 20, 2025

Dear Childcare Provider:

As the Minister responsible for leading Alberta's work on childcare, I want to thank you for the vital role you play in supporting children and families across our province. Over the past several months, I have had the opportunity to hear from many of you, and I remain committed to listening and communicating transparently about upcoming changes in childcare.

In February 2025, the previous federal government requested that all provinces and territories approve an extension to the current Early Learning and Child Care agreements with existing terms and conditions by February 21, 2025. This included extending the *Canada-Alberta Canada-Wide Early Learning and Child Care Agreement* to March 2031, and the Infrastructure Funding Agreement to March 2027. Alberta chose not to sign the proposed extensions, opting instead to pursue constructive bilateral discussions that reflect Alberta's priorities.

Alberta is prepared to develop a new, Province-specific funding agreement with the goal of achieving a mutually beneficial arrangement before the expiry of the current agreements on March 31, 2026. Our goal is to revise funding support to focus on Alberta's lowest-income families while ensuring the long-term sustainability of our childcare system. We believe any new agreement must offer sufficient flexibility to manage a system that falls under provincial jurisdiction.

As many of you are aware, the *Canada-Alberta Canada-Wide Early Learning and Child Care Agreement* signed in November 2021 includes funding to reduce parent fees for a limited number of spaces—capped at 42,500 non-profit (28,000 facility-based and 14,500 family day home) and 26,200 for-profit spaces. Alberta's position is that restrictions on for-profit spaces within this cap limit our ability to meet families' needs, disproportionately impact the majority of Alberta's providers, and reduce options for families.

On May 15, 2025, we announced that Alberta was expected to reach its for-profit facility space cap by summer 2025. As anticipated, the for-profit space cap has now been met and all 26,200 spaces have been allocated. As such, affordability funding for for-profit spaces will be limited forward of Mar. 31, 2026. No changes are being made to the May 15 allocation policy at this time.

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As of June 2025, approximately 11,500 non-profit facility-based spaces remain unallocated, with an estimated 4,000 facility-based non-profit spaces currently in the application process. Approximately 6,000 family day home spaces remain unallocated. Regular updates on unallocated spaces are available on Alberta.ca. ([Starting and operating a licensed child care program | Alberta.ca](#)). At present, no changes are being made to the allocation of affordable childcare spaces for non-profit providers. Non-profit providers remain eligible for affordability funding on a first-licensed, first-served basis until the space cap has been met. We will continue to share information on eligibility as it becomes available.

Alberta continues to request flexibility from the federal government to remove caps within our overall space target; however, these caps remain in place. To inform ongoing federal negotiations and space management, we are inviting approximately 500 licensing applicants - representing an estimated 21,000 spaces (17,000 for-profit and 4,000 non-profit) - to complete a short survey about their readiness to open, including expected opening dates and anticipated number of spaces. The information collected through the readiness survey will help Alberta to advocate for the removal of arbitrary caps on for-profit spaces in the province until Mar. 31, 2026.

Alberta's government remains committed to building an affordable, accessible, and inclusive childcare system. We understand that the current uncertainty around funding is challenging for both providers and parents. That is why we are working hard to negotiate a flexible and sustainable agreement before the current one expires in March 2026. I will continue to keep you informed every step of the way.

Thank you for your dedication to early learning and childcare in Alberta, and for your commitment to delivering quality outcomes for children and families.

Best,

A handwritten signature in black ink, appearing to read "Demetrios Nicolaides". The signature is fluid and cursive, with the first name "Demetrios" being more prominent than the last name "Nicolaides".

Demetrios Nicolaides ECA PhD
Minister of Education and Childcare