

To:	Warden Hicks and Members of Grey County Council
Committee Date:	April 14, 2022
Subject / Report No:	SSR-CW-05-22
Title:	Canada-Wide Early Learning and Child Care Program
Prepared by:	Tara Cockerill, Children's Services Manager
Reviewed by:	Anne Marie Shaw, Director of Community Services
Lower Tier(s) Affected:	All
Status:	Recommendation adopted by Committee as presented per Resolution CW58-22; Endorsed by County Council April 28, 2022;

Recommendation

1. That report SSR-CW-05-22 regarding Early Years and Child Care Funding Approach be received; and
2. That the Warden and Clerk be authorized to execute and sign the Canada-Wide Early Learning and Child Care program Transfer Payment Agreement upon receipt.

Executive Summary

On March 28, 2022 the Province of Ontario announced that an agreement had been reached with the federal government to support Canada-Wide Early Learning and Child Care program (CWELCC). The aim of the investment of \$13.2 billion dollars is to lower child care costs for families and increase access to quality licensed child care over the next three years.

In Ontario the CWELCC program will be implemented using a phased-in approach with a 25% fee reduction retroactive to April 1st being paid out after operators enter into an agreement with the CMSM, and a further 25% reduction by December 2022. As all licensed child care operators have the choice to opt in or out of the program. Families that are using a licensed child care program that chooses to opt out of participating can still apply for regular income based child care fee subsidy and can continue to utilize the CARE tax credit on their tax return.

Effective March 27, 2022, the Ministry of Education implemented a Fee Freeze for all licensed child care programs prohibiting the increase of fees charged to parents of children in licensed child care under the age of 6 years.

Background and Discussion

On March 28, 2022 the Province of Ontario announced that an agreement had been reached with the federal government to support Canada-Wide Early Learning and Child Care program (CWELCC). The investment of \$13.2 billion dollars will lower child care costs and increase access to quality licensed child care over the next three years.

In Ontario the CWELCC program will be taking a phased-in approach based on five pillars: improved affordability, improved access, sustaining high-quality service, inclusion and enhanced data and reporting.

Affordability

Existing licensed child care programs will have the option to opt-in or opt-out of the CWELCC program. Operators have until September 1, 2022 to make this decision.

As part of the phased-in approach, families will see an initial fee reduction of up to 25% (to a minimum of \$12.00/day) retroactive to April 1, 2022. A further reduction will reduce average child care fees by 50% by the end of December, 2022.

Additional reductions will take place in September 2024 and September 2025, bringing the provincial daily average cost for licensed child care to \$10.00 per day.

Rebates to parents are anticipated to begin in May, 2022 and will be retroactive to April 1, 2022 for families that were using eligible licensed child care programs during that time period. Families will not receive rebates until agreements have been signed with individual licensed child care operators.

The existing child care fee subsidy program will continue to be available to support lower-income families with affordability.

Access

The CWELCC program includes supports for increased of 86,000 licensed child care spaces (including 15,000 licensed spaces created since 2019).

The Children's Services department will work with Ministry of Education staff to ensure new licensed spaces are approved in targeted areas of need.

Quality

The Ministry of Education will begin consultations on measures to support and recognize the dedication of the child care workforce, including professional development training and initiatives.

Inclusion

Future space expansion plans and programming will support the need for child care access for low-income children, vulnerable children, children from diverse communities, Francophone and Indigenous children.

Wages

The anticipated guidelines will provide a wage floor for qualified Registered Early Childhood Educators. The initial wage requirement will require operators to pay qualified staff a minimum of \$18.00/hour, including the existing \$2.00/hour provincial wage enhancement grant (WEG). The minimum wage floor will increase by \$1.00/per year until the rate of pay reaches \$24.00/hour including the provincial WEG.

Role of the Service System Managers

The role of the CMSMs/DSSABs will continue as the designated child care and early years' service system managers responsible for planning and managing licensed child care services and EarlyON Child and Family Centres in local communities.

The Children's Services team will work with EDU representatives to enroll participating licensed child care operators in the CWELCC program. CMSMs will assess operator viability prior to supporting enrollment in the program.

The Ministry of Education has stated that the previously announced administrative funding cuts will be restored and has indicated that a transfer payment agreement (TPA) and funding guidelines will be shared with CMSMs in the Spring of 2022. A further report will be brought to council when the TPA and guidelines are released.

Legal and Legislated Requirements

Will be assessed upon receipt of guidelines and transfer payment agreement.

Financial and Resource Implications

Will be assessed upon receipt of guidelines and transfer payment agreement.

Relevant Consultation

- Internal
 - Social Services
 - Finance
- External (list)

Appendices and Attachments

[Provincial Backgrounder](#)

BACKGROUNDER**Ontario's Child Care Action Plan Puts Families First****Improved Access and Financial Relief for Parents, Stability for the System****March 28, 2022**[Education](#)

On March 28, 2022, Ontario reached a \$13.2 billion agreement with the federal government on funding for and the terms of a Canada-wide Early Learning and Child Care program. The new program will lower child care costs and improve access, and quality across Ontario's child care and early years sector.

The province's made-in-Ontario action plan for meeting its commitments under the new agreement takes a phased approach and advances what is most important to families. The plan is based on five pillars: improved affordability, improved access, sustaining high-quality services, inclusion, and enhanced data and reporting.

Improved affordability

- As a first step, all Ontario families with children five years old and younger in participating licensed child care centres will see their fees reduced, up to 25 per cent, to a minimum of \$12 per day, retroactive to April 1, 2022.
- In December 2022, parents will see another reduction. In total, fees for families will be reduced, on average, by 50 per cent, relieving parents of \$1.1 billion in child care costs.
- In September 2024, families will see further fee reductions, culminating in a final reduction to an average of \$10-a-day child care by September 2025.
- To ensure a sustainable future that protects Ontario taxpayers and puts parents first, the Canada-Ontario agreement also ensures that the cost of implementing the agreement will continue to be monitored by Canada and Ontario with an automatic review in year three.

Improved access

- Ontario will address increasing demand for child care by creating 86,000 new, high quality child care spaces. This includes more than 15,000 new spaces already created since 2019.
- New licensed child care spaces will include a mix of not-for-profit and for-profit settings to provide families with choice and flexibility.

Sustaining high-quality services

- Ontario will improve compensation for all Registered Early Childhood Educators (RECEs) working in licensed child care, including RECEs providing child care for children six to 12 years old.
- This agreement also supports the recruitment of new early childhood educators.
- Ontario will ensure a qualified workforce supply to implement the province's pedagogy for the early years to help safeguard the quality of child care programs and support system stability and sustainability.

Inclusion

- Ontario will introduce reforms that support the needs of diverse and underserved populations, including low-income, francophone, Indigenous, Black, other racialized and newcomer communities, as well as vulnerable and special needs children.

Enhanced data and reporting

- Ontario is already a leader in child care data collection and analytics. The new federal program is an opportunity to enhance sector performance by enabling Ontario to identify and evaluate the impact of these reforms on individual children and families.
- Under the federal agreement, Ontario will report regularly on its progress in meeting federal requirements with enhanced data collection and analytics capabilities.

