



COUNTY OF WELLINGTON

COMMITTEE REPORT

To: Social Services Committee
From: Luisa Artuso, Director of Children's Early Years Division
Date: Wednesday, November 10, 2021
Subject: Canada-Wide Early Learning and Child Care Plan

Background:

The 2021 federal budget, "A Recovery Plan for Jobs, Growth, and Resilience,"ⁱ introduced a Canada-Wide Early Learning and Child Plan which is a monumental and historic investment in a national high quality licensed child care system. The plan acknowledges the importance of the licensed child care system as both an economic and social issue. As an economic issue, high quality licensed child care promotes participation in the workforce, particularly for mothers, which is essential for continued economic stability and pandemic recovery. As a social issue, high quality licensed child care promotes the wellbeing and development of children in the most critical first five years in life. Children who have a healthy start in their early years have a greater chance of enjoying and succeeding in formal academic education; developing stronger social and resiliency skills; and are more likely to participate in the workforce as adults.ⁱⁱ

This report provides information on the Canada-Wide Early Learning and Child Care Plan, an update on agreements reached with provinces to date and outlines considerations for the Ontario bi-lateral agreements specific to the Wellington service delivery area.

The Canada-Wide Early Learning and Child Care Plan aims to address long standing barriers that prevent social and economic equity for children and families. The goals of the national plan are consistent with goals of municipally led child care service plans throughout Ontario - high quality child care that is equitably available, accessible and affordable for all families. The national plan aims to:

- Reduce child care fees by 50% by the end of 2022 for child care spaces serving children under the age of 6 years
- Reduce child fees to approximately \$10/day by 2025-26 for child care spaces serving children under the age of 6 years
- Increase the number of high quality licensed child care spaces for children under the age of 6 years, primarily in the public and non-profit sector
- Support the growth of the qualified Early Childhood Education workforce which includes increasing training and development opportunities, and the need for increased wages.
- Improve and expand before- and after-school child care

The 2021 federal budget proposes new investments totaling up to \$30 billion over the next 5 years with an ongoing commitment of \$8.3 billion in new funding after year 5. It includes the current federal Early Learning and Child Care investments made since 2015.

- \$4.1 billion in 2021/22
- \$5.6 billion in 2022/23
- \$7.0 billion in 2023/24
- \$8.0 billion in 2024/25
- \$9.2 billion in 2025/26

Update:

Since July 2021, the federal government has reached Early Learning and Child Care agreements with 8 provinces across Canada.

While the agreements are currently not publically available, various federal announcements and media reports indicate that all agreements include a 50% reduction in child care user fees by the end of 2022, for user fees to be further reduced to approximately \$10/day by the end of 2026, and the creation of new public or non-profit child care spaces for children under the age of 6 years. Most provinces have also negotiated Early Childhood Educator (ECE) workforce recruitment and retention strategies, some of which include labour force adjustment analysis and new wage grids for ECEs.

Province	Total Allocation	50% Reduction in Child Care User Fees by end of 2022	Child Care User Fees to Approx. \$10/day by end of 2026	Creation of New Licensed Spaces by 2026	ECE Workforce Initiatives
British Columbia ⁱⁱⁱ	\$3.2 billion	✓	✓	30,000	✓
Nova Scotia ^{iv}	\$605 million	✓	✓	9,500	✓
Yukon ^v	\$42 million	*	✓	110	✓
Prince Edward Island ^{vi}	\$121 million	✓	✓	450	✓
Newfoundland and Labrador ^{vii}	\$347 million	*	✓	5,895	✓
Quebec ^{viii}	\$6 billion	*	✓	10,000 +	✓
Saskatchewan ^{ix}	\$1.1 billion	✓	✓	28,000	✓
Manitoba ^x	\$1.2 billion	✓	✓	23,000	

**previous provincial plan in place*

At this time, it is unknown if or when Ontario may reach a bi-lateral agreement with the federal government. County staff have been advocating to the Ministry of Education for the negotiations to include the following:

- That Consolidated Municipal Service Managers be consulted during the negotiation stage of the bi-lateral agreements. Ontario is the only province in Canada whereby the child care system is planned and managed by the municipal level of government. It is critical that the knowledge and expertise of service system managers are reflected in the Ontario agreement in order to maximize the success of the new federal investment in the communities they serve, especially in communities that receive 100% municipal funds to support the child care sector.
- That current for-profit child care spaces be included in the goal of achieving reduced child care user fees to approximately \$10/per day. Wellington has a requirement for all programmes to meet a significant portion of a quality monitoring measurement tool to ensure public funds are allocated only to licensed child care spaces that provide high quality child care. With a significant number of child care spaces in our service delivery being for-profit, it is essential for these operators to be included in the fee reduction strategy to promote equitably affordable child care for families.
- That funding for the creation of new licensed spaces in the public and non-profit sector be prioritized to fill significant gaps in areas where there is no licensed child care or for less than 20% of the birth to 4 population of children. Further, that community-based capital funding be made available in addition to the current school-based capital funding opportunities. The

current gaps of licensed child care in our service delivery are due to insufficient operating grants and lack of flexibility in capital funding applications.

- That fee subsidies continue to be available for eligible families alongside the national child care plan. The majority of families currently in receipt of fee subsidies in the Wellington service would be unable to afford approximately \$10/day in fees.
- That funding be provided to increase the Provincial Wage Enhancement Grant which currently falls short in its purpose to bridge the wage gap for all ECEs working across the child care sector to be compensated at the same level of ECEs working in school boards.

Recommendation:

That the report, Canada-Wide Child Care and Early Plan, be received for information.

Respectfully submitted,



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Director of Children's Early Years Division

ⁱ ©Her Majesty the Queen in Right of Canada (2021), New Opportunities for Canadians, Pgs. 95-104, [budget-2021-en.pdf](#)

ⁱⁱ Barnett, 1992; Jenkins, Boivin, Akbari, 2015

ⁱⁱⁱ Canada announces historic first early learning and child care agreement, [Canada announces historic first early learning and child care agreement | Prime Minister of Canada](#)

^{iv} Nova Scotian families to benefit from early learning and child care agreement, [Nova Scotian families to benefit from early learning and child care agreement | Prime Minister of Canada \(pm.gc.ca\)](#)

^v Canada and Yukon announce major expansion of \$10 a day child care, [Canada and Yukon announce major expansion of \\$10 a day child care - Canada.ca](#)

^{vi} iPolitics, Ottawa and PEI sign child-care agreement by Aiden Chamandy, [Ottawa and P.E.I. sign child-care agreement \(ipolitics.ca\)](#)

^{vii} \$10 a day child care for families in Newfoundland and Labrador, [\\$10 a day child care for families in Newfoundland and Labrador | Prime Minister of Canada \(pm.gc.ca\)](#)

^{viii} Ottawa announces 6B transfer to Quebec aimed at strengthening child care, CBC News, The Canadian Press, posted August 5, 2021, [Ottawa announces \\$6B transfer to Quebec aimed at strengthening child care | CBC News](#)

^{ix} \$10-a-day child care plan for Saskatchewan, Department of Finance Canada, [\\$10 a day child care for families in Saskatchewan - Canada.ca](#)

^x \$10 a day child care for families in Manitoba, Employment and Social Development Canada, [\\$10 a day child care for families in Manitoba - Canada.ca](#)