

# Bilateral Agreement on Early Learning and Child Care for Ontario

The following analysis reflects the commitments and actions of the previous Liberal government.

On June 7, 2018, there was a change of government. During the campaign, the Progressive Conservative party promised to implement an Ontario Childcare Rebate of up to 75% of child care expenses, determined on a sliding scale (up to \$6,750 per child up to age 6). However, a recent study on childcare affordability in Ontario, which analyzes the rebate as one of six policy options, concludes that “it would have very negative effects for low-income families” (Cleveland, Krashinsky and Colley, 2018). The following analysis reflects the commitments and actions of the previous Liberal government.

Note: There is a unique role for municipal governments in Ontario. The province funds 47 local service system managers, who are responsible for planning and managing child care services, administering fee subsidies, and allocating additional resources.

Ontario At-a-Glance	
Spaces	<ul style="list-style-type: none"> <li>Regulated centre-based spaces are available for 29.1% of children 0-5 years (2016)<sup>19</sup></li> <li>Full-day Junior Kindergarten (4-year-olds) and Senior Kindergarten (5-year-olds) is available for all, though not compulsory</li> </ul>
Fees	<ul style="list-style-type: none"> <li>Full-time daily fees in licensed centres (2015):               <ul style="list-style-type: none"> <li>Infants - \$57</li> <li>Toddlers - \$48</li> <li>Preschool - \$42</li> </ul> </li> <li>Median full-time monthly fees in Toronto (2017):               <ul style="list-style-type: none"> <li>Infant: \$1,758</li> <li>Toddlers: \$1,354</li> <li>Preschool: \$1,212</li> </ul> </li> </ul>
Auspice	<ul style="list-style-type: none"> <li>22% of regulated child care for children aged 0-12 is for-profit (2016)</li> <li>Ontario is unique in that municipal and local governments operate some regulated spaces (approximately 6% in 2014)</li> </ul>
Wages	<ul style="list-style-type: none"> <li>Median gross hourly wages of program staff: \$17.29 (2012)</li> <li>Median gross hourly wages of program directors: \$22.50 (2012)</li> </ul>

<sup>18</sup> They estimate that the cost of such a rebate is around \$389 million annually (Progressive Conservative Party of Ontario, 2018).

<sup>19</sup> All provinces and territories also provide regulated home child care. However, an age breakdown (0-5, 6-12) is not available. In 2016, there were enough regulated spaces (including centres and home child care) in Ontario to cover 21.3% of children aged 0-12.

Provincial Allocations  
(2015-2016)

Total spending on  
regulated child care:  
**\$1,169,784,899**

- Fee subsidies: \$739,911,506
- One-time funding
- Capital for communities \$8,274,822
- Capital for schools \$828,645
- French language schools \$4,321,084
- Recurring funding
- Operating funding \$305,597,980
- Special needs resourcing \$104,374,241
- Other funding \$6,476,621

## Recent Initiatives in Ontario

There have been a number of new initiatives since 2010:

- The roll-out of full-day kindergarten for 4- and 5-year-olds (fully implemented in 2014/15).
- The creation of the *Child Care and Early Years Act* (2014), which includes updated licensing and regulations. It also names *How Does Learning Happen?* as the provincial guide for programming and pedagogy.

On June 6, 2017, the province released *Ontario's Renewed Early Years and Child Care Policy Framework* (Government of Ontario, 2017). This framework guides the province's five-year action plan, *Towards Universally Accessible Child Care: Ontario's Five-Year Action Plan*, released in 2017. Under the five-year plan, the province commits to doubling the capacity of licensed child care for children aged 0-4, with a focus on the public and not-for-profit sectors. The seven priority action areas of the plan include:

1. Increasing access
  - Increased support for access to licensed child care for children aged 0-4.
  - Mixed Growth Expansion Plan includes investments in operating and capital funding, prioritizing the non-for-profit sector.
  - Creation of an Innovation Fund that supports growth in the not-for-profit sector, and for services in under-served communities and irregular hours.
2. Ensuring affordability
  - Launching an Affordability Strategy.
3. Establishing an Early Years Workforce Strategy
  - Province will fund two professional learning events per year.
  - Continue with the ECE Qualifications Upgrade Program and Wage Enhancement Grant.

4. Determining a provincial definition of quality in early years
5. Developing an approach to inclusion
6. Creating an outcomes and measurement strategy
7. Increasing public awareness of Ontario's early years and child care system
  - Create an online hub for access information, services, and tools.
  - Creation of a new visual identity for Ontario's child care family programs.

Funding in support of the plan was introduced in the 2017 budget, including \$200 million for fee subsidies and \$1.6 billion to build new spaces.

In the March 2018 budget, the Liberal government announced a substantial investment of \$2.2 billion in ELCC. The majority of this investment (\$930 million) is for free preschool for children aged 2.5-4, earmarked to begin in 2020/21. The \$2.2 billion investment also includes \$330 million for on-reserve child care services; \$162.5 million in operating funding over the next three years to support home child care and fee subsidies for children of other ages; \$30 million towards the Innovation Fund; and a new schedule to enhance ECE wages (Government of Ontario, Minister of Finance, 2018).

Although advocates have called these commitments to ELCC in Ontario “game-changing,” it remains to be seen whether the new government will follow through with the plan (Monsebraaten & Rushowy, 2018).

As outlined in the Action Plan, two priority areas are: (1) increasing access, affordability, and inclusivity to high-quality child care, especially for families in need, and (2) ensuring quality early learning opportunities, with consideration for those in need.



## ONTARIO'S ACTION PLAN

	Year 1:	Year 2:	Year 3:	Total:
Federal transfers	\$144,960,100	\$144,836,900	\$144,836,900	\$434,633,900

The Action Plan will use federal funding to build on the initiatives of *Towards Universally Accessible Child Care: Ontario's Five-Year Action Plan*. However, it should be noted that the province has made several new announcements since the release of the Action Plan, so there are some modifications (indicated throughout).

Affordability and Availability <sup>20</sup>
<ul style="list-style-type: none"> <li>• <b>\$100 million in each of the three years</b> to regulated child care services, including:               <ul style="list-style-type: none"> <li>• At least \$80 million/year to increase subsidies and/or community- based capital for services for children under 6.</li> <li>• Up to \$20 million/year to support system access to affordable child care based on local priorities.</li> </ul> </li> <li>• <b>\$39.9 million in each of the three years</b> to support the creation of 100 more Ontario Early Years Child and Family Centres.<sup>21</sup></li> </ul>
Working Conditions
<ul style="list-style-type: none"> <li>• <b>\$5 million in each of the three years</b> to provide access to quality training and professional development opportunities, including:               <ul style="list-style-type: none"> <li>• \$2 million to increase the number of students supported through the ECE Qualifications Upgrade Program.</li> <li>• \$3 million to develop six new Regional Centres of Excellence.<sup>22</sup></li> </ul> </li> </ul>
Auspice
<ul style="list-style-type: none"> <li>• <i>Towards Universally Accessible Child Care: Ontario's Five-Year Action Plan</i> notes that not-for-profit services will be a priority in terms of increased support. The Liberal government identified a priority to direct new municipal funds to non-profits, a stipulation that was removed by the incoming Conservative government after they took office.</li> </ul>

<sup>20</sup> For the Action Plan, it makes sense to consider these two categories together since the plan does not give specific details.

<sup>21</sup> The Ministry of Education currently funds four child and family programs: Ontario Early Years Centres, Parenting and Family Literacy Centres, Child Care Resource Centres, and Better Beginnings, Better Futures. These four services will be integrated into Early Years Child and Family Centres – also known as Early Ontario Centres, effective January 1, 2018. These centres are “one-stop shops” that provide a variety services and connections at no cost to parents, including drop-in services, targeted outreach activities for parents and caregivers, early learning and development, and connections for family (Government of Ontario, 2016). Also effective January 1, 2018, funding for municipalities to act as the service system managers for these programs, similar to other ELCC services.

<sup>22</sup> The Centres of Excellence for Early Years and Child Care will “support transformational change, and signal both the provincial and federal government commitment to long-term professional learning across the early years sector.” The Action Plan specifies that six Centres will be established in 2018, but more recent announcements from the provincial government indicate that only three Centres are planned: (1) Provincial, (2) Francophone, and (3) Indigenous (Government of Ontario Ministry of Education, 2017).

## Inclusion, Equity, Diversity

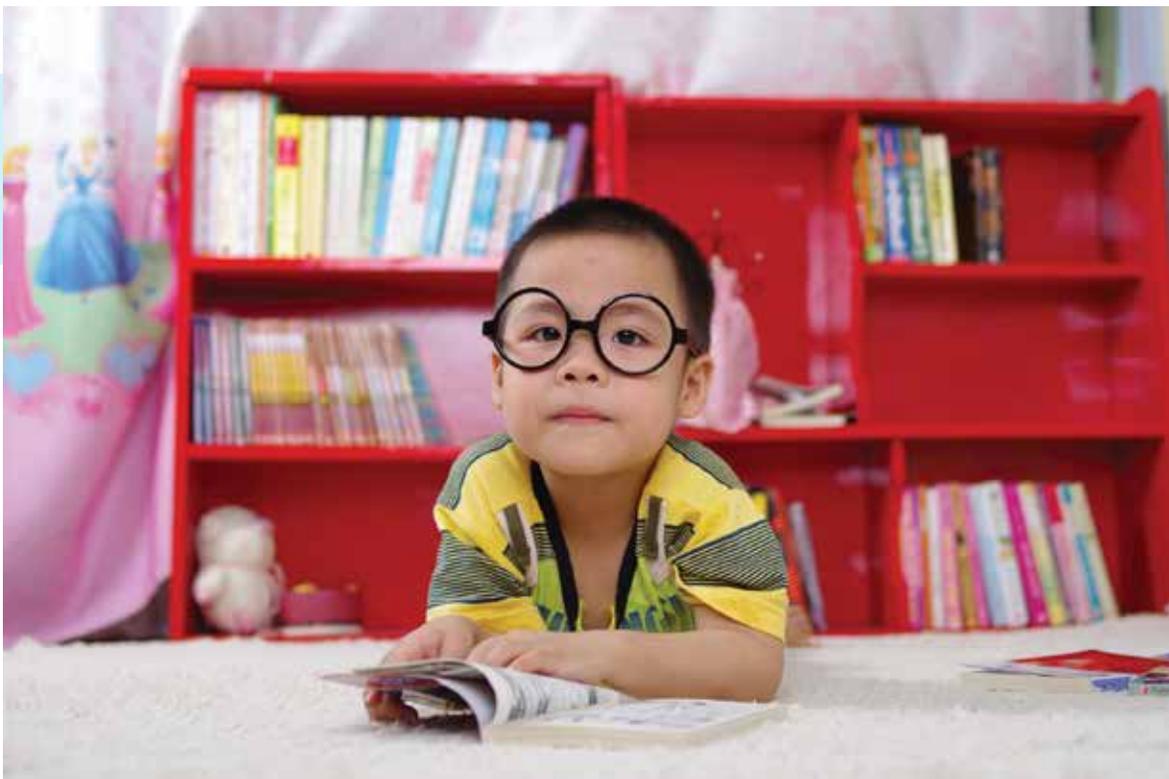
- The Ontario Early Years Centres will be specifically targeted to families in need, including newcomers to Ontario, teen parents, and low-income families. The Centres will “improve child and family outcomes related to mental health and well-being, early learning and development, social inclusion” and more.

## Other

- N/A

## *What is innovative about the Ontario Action Plan?*

The Action Plan describes several initiatives as innovative, including full-day kindergarten; the Ontario Early Years Child and Family Centres; and the Regional Centres of Excellence that will support high-quality educational and training opportunities. The province was also innovating at the provincial level, using funds to support new initiatives like free child care for preschoolers.



Following the signing of the Multilateral Framework Agreement on Early Learning and Child Care in 2017, the federal government reached a bilateral agreement with each province and territory, and an asymmetrical agreement with Quebec. For more information about these agreements, go to

[timeforchildcare.ca](http://timeforchildcare.ca)

