



COMMUNICATION UPDATE

TO:	Mayor and Members City Council
DATE:	April 6, 2022
SUBJECT:	Canada-wide Early Learning and Child Care (City Wide)
WARD(S) AFFECTED:	City Wide
SUBMITTED BY:	Angela Burden General Manager Healthy and Safe Communities Department
SIGNATURE:	

On March 28, the Province of Ontario signed on to the Federal Government's National Child Care Strategy, marking a transformational day for child care affordability and access in Hamilton and across the province. We are awaiting further details regarding local allocations and funding guidelines of the new Canada-wide Early Learning and Child Care funding, however, we wanted to take this opportunity to share with you an update about what we know so far related to the new agreement.

What it means for Families:

- The deal includes an average 25% fee reduction for families to a minimum of \$12 per day retroactive to April 1, 2022
- There will be further fee reductions in December 2022 (average of 50%), September 2024 and a final reduction in September 2025 resulting in an average of \$10/day
- Fee reductions are for children aged five years and younger, or six years old and enrolled in a licensed child care centre until June 30

What it means for Child Care Operators and the Child Care sector:

- All licensed child care operators will be required to opt in or opt out of the new child care plan and will be required to apply to the City of Hamilton by September 2022
- Non-profit, for-profit and municipal child care centres are all eligible to participate in the new child care plan

SUBJECT: Canada-wide Early Learning and Child Care (City Wide) - Page 2 of 2

- The City of Hamilton will review and approve all funding applications, and can deny an application that does not demonstrate financial viability, but cannot place restrictions based on the auspice of the centre (i.e. for-profit vs. non-profit)
- The deal includes a wage floor for Registered Early Childhood Educators starting at \$18/hour for RECEs and \$20/hour for Supervisors. This will increase by \$1/year until 2025
- The deal includes a commitment of 86,000 new child care spaces, including 15,000 spaces which were previously committed

While initial feedback on the agreement has been positive, there is some concern that the \$18/hour wage floor for RECEs is low and does not provide the incentive for attracting and retaining staff that operators had hoped for, especially given the salary and benefits offered within the education sector. Most of our non-profit operators are already meeting or exceeding this rate. In addition, we have heard feedback that the 86,000 new spaces may fall short of addressing the need provincially, particularly as the demand for child care increases. We will be monitoring both of these issues in the coming weeks and months and will keep you apprised.

The Children's Services & Neighbourhood Development Division has received a number of inquiries from both parents and child care operators that are interested in participating in the new national child care plan, and has committed to sharing more information as it becomes available.

In summary, we are thrilled to see this agreement signed and City staff will continue to work with our provincial and federal counterparts, local early years and child care community partners and Ontario Municipal Social Services Association on next steps and will continue to keep Council updated as further information becomes available. A report will be brought forward to Emergency & Community Services Committee once our local allocations have been released by the Ministry of Education.

Should you have further questions, please contact Jessica Chase, Director, Children's Services and Neighbourhood Development Division by email at Jessica.chase@hamilton.ca or by telephone at (905) 546-2424 ext. 3590.

APPENDICES AND SCHEDULES ATTACHED

None