

**Response to City of Toronto Reports on the Updates to the
Canada-wide Early Learning and Child Care Agreement
Implementation in Toronto**

May 31, 2023

Good morning members of the Economic and Community Development Committee, General Manager and Children's Services staff.

Thank you for the opportunity to speak to Council on the status of the Early Learning and Childcare Agreement, which we call CWELCC. My name is Susan Colley, and I am the chair of Building Blocks for Child Care, known as b2c2.

Building Blocks for Child Care is a charitable organization that helps community groups and not-for-profit organizations plan, build and redevelop new early learning and child care centres and facilities. Our objective is to increase the availability of not-for-profit and public child care for families and communities in Ontario. We call ourselves b2c2 and were established when the CWELCC Agreement was announced as we realized that the expansion of high quality public and non-profit child care will not magically happen.

The CWELCC agreement is a great initiative that has huge potential to create a publicly planned and affordable system of child care. This is something that has long been needed, and which will in fact repay itself as it has done in Quebec, by increasing the participation of women in the workforce. B2c2 realized that you cannot just expect small non-profit organizations run by parent boards, whose first priority is their own children's welfare, to actually think about the children of the future. Expansion has to be supported and resourced, just like in housing, transport, etc. It cannot be something just left to happenstance.

I also want to say that we are really fortunate in this province to have a system of municipal service managers. The municipal service managers have been brilliant at creating, developing, supporting and producing high quality child care. In this light, I want to commend the city of Toronto for its dedication to creating the wonderful child care that we have so far created - even though we know that child care is only available for a small proportion of children who need it.

The City report is very comprehensive and it gives a really good overview and history of how CWELCC has influenced the progression of childcare in Toronto. What the report lacks, is any sense of the crisis that exists today in the sector and strong enough resolutions to the province to do more to achieve the goals of the agreement. I know that there are so many other crises that we face in the city, whether it is public health, transport or safety, but in one way or another with child care, we also have to recognize that there are some critical issues that urgently need to be addressed.

b2c2 would emphasize three crises:

1. Staff shortages:

It is good that the city has recommended that the province set up a set of workforce guidelines that includes a wage grid, but there needs to be stronger direction to the province. Child care staff are feeling inappropriately valued and definitely need improved compensation as well as the all-important benefits. Registered Early childhood educators are being paid at high school level wages. Consequently, they are acting with their feet and leaving the sector. There are not enough staff to operate the existing capacity, let alone contemplate huge expansion. This is an issue that has been neglected for far too long. Please support a resolution that calls on the province to introduce a wage grid and benefits that are equal to those of municipalities and community colleges.

b2c2 conducted a randomly controlled survey of all non-profit operators in the province of Ontario last fall and found that there are two major barriers to expansion, with the first being the workforce crisis. The shortages are accelerating so that more and more early child care staff are realizing that they are not being valued, that they are not being paid appropriately, and they are leaving. The College of Early Childhood Educators estimates that there are probably 23,000 RECEs that could be enticed to come back to the sector if they were appropriately compensated and felt valued!

2. Lack of capital for expansion:

The second crisis is that of the lack of capital for expansion. It is well known that new construction is running at \$400 to \$500 per square foot. The province has provided only start-up money in the amount of \$90 per square foot, which will be insufficient to build new centres or even to retrofit and renovate existing centres. That amount of money is only enough for equipping a centre. It does not even cover the cost of a new playground. The provincial government calls it "offset funding" because it does not believe that it will be necessary to provide full capital funding. This may be true if you are relying on the private sector to build for profit centers, but CWELCC has promised that the majority of expansion will be in the not-for-profit sector. In addition, the province has agreed that it will keep the ratio of for-profit to non-profit at 30 to 70%. The Ministry's expansion policy gives no indication that it is serious about expanding the non-profit sector centres.

b2c2 has approached the provincial government to introduce a capital program, a loan guarantee program and also requested that Infrastructure Ontario (the large capital funding program for public sector projects) be expanded to include child care centres as part of its mandate. All these requests have fallen on deaf ears.

B2c2 urges the City of Toronto to pass a resolution to urge the provincial Government to introduce a comprehensive capital program.

3. The funding formula:

The lack of a clear funding formula has left the sector very uncertain about future costs, expenditures, and revenues. It is vital that this be sorted out quickly in order for the sector to both survive and expand.

Finally, b2c2 would alert Council to the chaos that will be created by 2025 and is already happening in many areas of the province. This is the problem of reducing fees to an average of \$10 a day but not having the spaces to enable parents to take advantage of the services. Already, there are reports of waiting lists growing out of control and this is before the fees have been reduced to \$10/day. This problem of insufficient demand has been pointed out on two separate occasions by the Ontario Financial Accountability Office. When calculating the

expenditures under CWELCC, the problem is starkly noted when you realize that 88% of the funding has been spent on reducing parent fees; only 4% for the other critical components of wage enhancement and capital expansion!

This is why strong action is urgently needed.

Thank you!