

October 25, 2025

To: City of Toronto Economic and Community Development Committee

From: Petr Varmuza, PhD

Subject: EC24.1 - Canada-wide Early Learning and Child Care Expansion - Update

Thank you for the opportunity to present my recommendations regarding the Children's Services report on the status of the Canada-Wide Early Learning and Child Care (CWELCC) initiative.

This is the third time in less than a year that I feel compelled to respond with ever-increasing urgency to the City's apparent unwillingness to address the widening income gap among families with access to quality child care in Toronto.

The only recommendation in the report centers on City's request for more funding from the senior levels of government. While it's difficult to argue against this common request, the chance of a significant funding increase in the near future remains very low.

What is missing is guidance on developing a "Plan B" to stabilize the child care system if funding growth only keeps pace with inflation. Urgent attention is needed to address the growing equity gap caused by Toronto's failure to proactively address access issues faced by disadvantaged children, families, and neighbourhoods. I have previously presented you with evidence that, because of significantly lower fees under CWELCC, the pre-existing inequity in child care access and quality has only increased recently.

While funding shortfalls lie with the senior levels of government, the responsibility for closing the equity gap rests on your shoulders. Once again, the report promises a consultation with the child care sector about possible ways to improve access for low-income subsidized children. I would suggest that if you truly want to engage in meaningful consultation, you should speak with families in under-represented, underprivileged neighbourhoods to understand how they feel about the limited access and quality of child care available to them. Moreover, when the planned fee reduction to \$12 per day occurs in early 2026, that gap will widen to unprecedented levels and become entrenched, especially since a substantial increase in provincial and federal funding is unlikely in the near future.

It is necessary to note that, as the provincial Auditor General reported earlier this month, the decreased use of subsidies due to lower fees is occurring across the province. However, some municipalities have taken concrete action, while the City has failed to offer meaningful recommendations to address these growing inequities. Therefore, for the third time, I urge you to consider and act on the following recommendations.

1. All CWELCC funded programs must enter into a contract for the provision of care to subsidized children
2. All CWELCC programs provide a demand-based priority for placement subsidized children
3. All publicly funded programs must meet Toronto's quality criteria

In view of the ossified funding situation, I urge you to consider these additional recommendations:

4. Refocus the service planning system to realign with available funding rather than with the ambitious but outdated growth strategy
5. Refocus the service planning system to concentrate on neighbourhood rather than ward equity.

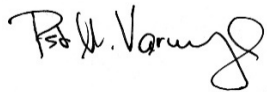
6. Request that the provincial government delay further reduction of user fees until the access gap for disadvantaged children is eliminated.

7. Request that provincial government rescinds the subsidy eligibility criteria requiring parental participation in an approved activity; the current subsidy rules create a class of “undeserving poor” children who, as demonstrated by extensive research and experience from other jurisdictions, benefit most from access to quality early learning and child care experiences.

It is crucial to understand the likely consequences of delaying any measures to prevent further decline in access and quality equity. Persistent inequity affects any poverty reduction effort, having immediate and long-lasting intergenerational impacts on children, families, and neighbourhoods. Furthermore, it will create pressure for future reallocation of limited resources.

Most importantly, most of the above recommendations, other than recommendations 6 & 7, are solely within the scope of your responsibility as municipal councillors, and the cost of delaying meaningful action will fall on you.

Respectfully submitted

A handwritten signature in black ink, appearing to read 'Petr Varmuza', with a stylized flourish at the end.

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