

Canada Wide Early Learning Child Care – Discussion Guide Responses

TORONTO CHILDREN'S SERVICES



PREAMBLE

The introduction of the Canada-wide Early Learning and Child Care (CWELCC) agreement has been a welcome investment for families in Toronto. Many have benefitted from reduced fees and many more seek to benefit from affordable, high quality child care. While the CWELCC agreement represents a landmark investment in early learning and child care, its implementation has been met with early challenges and major policy shifts. These challenges are worth addressing directly and thoughtfully, as the long-term success of a sustainable CWELCC system would bring enormous benefits for all families and children.

In the evolving landscape of early learning and child care (ELCC), the vision for a successful system hinges on addressing core questions related to the objectives of accessibility, quality, affordability, flexibility, and inclusivity. Understanding what these elements mean in practice is crucial for shaping effective policies and ensuring that every family has the support they need. Our submission therefore spends time to articulate what each of these objectives mean for the ELCC system in Toronto.

To realize these objectives requires a commitment to and ability to apply an equity planning approach and strategic policies that support all families to have equitable access. As we consider our role as a Service System Manager for the City of Toronto, it is important to reflect on current challenges and opportunities for the successful implementation of the Canada-wide Early Learning and Child Care (CWELCC) system locally. Our responses below aim to provide a comprehensive overview of our vision to support the child care sector, to propose strategies that can enhance the CWELCC system, and to foster its long-term success.

CORE QUESTIONS

1. What does access to high-quality, affordable, flexible, and inclusive ELCC mean to you?

As the Service System Manager for the City of Toronto, the key terms in the question have a distinct meaning and provide guidance on how the City plans and supports the child care sector in Toronto.

Access

Access relates to the availability of child care spaces across all neighbourhoods in the city. This requires the creation of spaces especially in areas where the “access rate” (i.e., the number of existing spaces relative to the child population in a given area) is relatively low. In other words, it promotes a degree of “geographic equity” in the availability of child care spaces across Toronto. The creation of space is also contingent on sufficient capacity (i.e., capital/infrastructure and start-up funding to cover up front costs) to facilitate growth.

An equally important dimension of access pertains to removing structural barriers that prevent families from finding or enrolling in licensed child care. Structural barriers to child care include high costs (even at an average of \$10/day, many families facing poverty will still not be able to afford care without additional financial support); and unclear and difficult to find information about child care. In addition, parents and caretakers who work non-traditional hours or multiple jobs are often excluded from most child care service offerings. Access is therefore facilitated



when child care is affordable, services are easy to navigate (or system navigation supports are made available), flexible working hours are accommodated, and caregivers are empowered with the knowledge and confidence to navigate the system effectively.

Also worth noting is that families in receipt of Fee Subsidy to offset the cost of child care face hurdles and requirements that families supported by CWELCC do not experience, affecting their ability to access spaces. Unlike families with children in CWELCC spaces, families in receipt of Fee Subsidy are subject to legislative oversight and restrictions governing enrollment and participation in child care programs. Families in receipt of Fee Subsidy must meet eligibility requirements including an income threshold and are required to demonstrate participation in a work or school activity. In contrast, families with children in CWELCC spaces face no such restrictions on their attendance despite their fees now being reduced by public dollars through CWELCC. The provincial government should consider the removal of the activity requirement as one step towards enhancing equity between families in receipt of Fee Subsidy and CWELCC.

To achieve equitable access to child care, targeted investments from the federal government accompanied by opportunities for local service system managers to implement strategic, equity-based policies are essential.

High-quality

Quality is achieved by having highly trained and well-supported staff, appropriate staff-to-child ratios, and suitable class/physical environment sizes, and is reinforced through standardized evaluations and assessments of quality. Appropriate training and support are provided to meet the needs of all children in their care, including those who need extra support. Toronto Children's Services (TCS) uses a validated, peer-reviewed measurement tool to assess objectively the quality of a child care program called the Assessment for Quality Improvement (AQI). Specifically, TCS deploys the AQI, which is the only Canadian validated measure of early learning and child care quality. Given that high quality early learning and child care environments contribute to positive long-term outcomes for children, monitoring quality using a well-established and reliable tool is vitally important.

High quality learning environments can only be realized with well-supported staff. Currently, child care staff in Toronto are experiencing burnout and stress due to long hours with a demanding workload (e.g., the Knowing our Numbers survey identified 60% of child care workforce respondents in Toronto reporting burnout). Inadequate pay and benefit compound the stressors educators experience. A high-quality system therefore includes a well-supported, diverse, and well-compensated workforce to create the learning environments in which children can thrive.

Affordability

Affordable care means that the cost of care does not pose a barrier to acquiring licensed child care. While the goal of \$10/day is admirable, child care would not still be affordable for some families in Toronto at this reduced rate. For example, in 2023, approximately 70% of families in receipt of Fee Subsidy in Toronto paid less than \$10/day. For these families, \$10/day child care is out of reach without financial assistance. Therefore, continued investment and harmonization in financial support programs, such as the Fee Subsidy program, is essential for many Toronto families as CWELCC continues to be implemented.

Flexible

Flexible care supports families working non-standard hours. Toronto families, particularly among newcomer families, have indicated a preference for extended hours or child care hours that accommodate parents and caregivers who work non-standard hours including evenings and weekends. Child care models that support a diverse array of families who are navigating a shifting labour market require child care that meet their daily reality.

Inclusive

Inclusive child care services speak to creating a sense of belonging for families participating and staff working in the sector. TCS is committed to supporting the inclusion of children and families who are Indigenous, Black, racialized, newcomer, low-income, Francophone, 2SLGBTQ+, and families with disabilities and extra support needs. This inclusivity also extends to ensuring school-aged care is available and affordable. Without intervention, the current implementation of CWELCC risks excluding school-aged children, which will result in families experiencing a significant change in the affordability of care once children age out of CWELCC. Additionally, it is also about celebrating diversity among the operators and supporting diverse service providers to enter the child care sector, who in turn can deliver safe, inclusive, family-oriented and culturally relevant services and learning environments.

The result, is a system that is accessible to all families regardless of where they live, emphasizes supporting vulnerable families, and utilizes an equity-based approach to access and system planning.

2. *What do you think a successful Canada-wide ELCC system looks like?*

A successful Canada-wide ELCC system would be accessible, sustainable, and equitable, providing high-quality care for all families while fostering positive outcomes for children.

- **Access:** All families have the opportunity to access child care regardless of their economic situation, location, or needs, and that spaces are available when families need them. Supporting vulnerable families to access child care including families in receipt of Fee Subsidy, Indigenous, Black and children with special needs.
- **Sustainability:** The system is supported by predictable funding, ensuring long-term viability of child care services, including competitive wages for all staff (i.e., not only RECEs).
- **Inclusion:** Supports the inclusion of all children, offering care that meets diverse needs including families who are Indigenous, Black, racialized, newcomer, low-income, Francophone, 2SLGBTQ+ and children and families with disabilities and extra support needs. Ensures the integration of all children into the school system.
- **Growth and expansion:** Capital funding and growth is directed towards expanding not-for-profit and public child care, ensuring consistent levels of care across all regions.

- **Quality:** High-quality child care is delivered through well-trained and well-supported staff with greater staff retention, lower child-to-educator ratios, with an emphasis on child development and early learning pedagogy. Continuous improvement is supported through resourcing as well as regular evaluations and quality assessments.
- **Sustainable workforce:** The workforce is supported with ongoing professional development, fair compensation, improved working conditions, and workforce recognition. This ensures staff are well-trained and equipped to deliver high-quality child care.

3. What challenges do you, your community, and/or your organization experience in accessing affordable ELCC?

TCS and the child care sector faces several challenges in increasing access to affordable ELCC:

Workforce shortages and recruitment challenges: There is a gap between licensed capacity and operational capacity, primarily due to workforce shortages. While there are available spaces, there is a lack of staff to utilize them fully, leading to unrealized potential in services. The importance of workforce support is underscored by the significant funding disparity between CWELCC Affordability and Workforce initiatives. Last year, CWELCC Affordability received approximately \$400 million, whereas incremental CWELCC Workforce funding was allocated around \$4 million. A diverse and well-supported workforce is essential in preventing the sector from deteriorating into a low-quality system.

Increased demand for services and supports for children with extra support needs and their families: The level of resources available for children with extra support needs has historically been low and continues to be inadequate to meet the needs of families in Toronto. Currently, TCS serves a similar number of children compared with pre-pandemic levels, but the complexity of the individual child profile is challenging and stretching the existing resources and the capacities of the child care system. Compounding the challenge is the recent exodus of experienced staff and a need to equip new staff with the knowledge and skills to provide an inclusive learning environment for children with extra support needs. Current Special Needs Resourcing (SNR) investments do not fully address the increasingly complex needs of the community, nor the additional growth of the publicly funded sector under CWELCC. The result has been either insufficient support for children with extra support needs, or (in some cases) refusal to enroll children with extra support in child care programs. As well, children with intersectional identities (largely from equity-denied groups) are over-represented among those accessing Special Needs Resourcing (SNR); additional service navigation supports are needed to ensure equitable access and inclusive service.

Support for older age groups: There is a focus on supporting children aged 0-5, but there is a critical need to also enhance high-quality licensed child care for children aged 6-12 to provide a continuum of affordable licenced care. Without incremental investments to support older age children and the expansion of the Fee Subsidy system, families transitioning from CWELCC-supported spaces will experience significant barriers to access given the significant increase to the cost of care.

Impact of school-based initiatives: Support for “schools-first” in Toronto has aimed to naturally address inequities by locating child care in schools where possible. The advantage of this approach is the opportunities to support transitions from child care to school, leverage existing or new infrastructure, encourage collaboration between schools and child care operators, and distribute child care across various communities. However, provincial cancellation of related projects has undermined this approach. The Ministry of Education informed the Toronto District School Board (TDSB) and the Toronto Catholic District School Board (TCDSB) that 48 capital projects that were previously approved between 2016 and 2020, but never built, have been terminated. This cancellation affects 3,083 child care spaces for children aged 0-4 in some of Toronto's highest need communities representing 2,035 spaces lost from TDSB and 1,048 from TCDSB. Funding for these projects would have come directly from the Ministry of Education to the school boards, not through the City. The Ministry now plans to create these spaces through community-based methods as part of the Canada-wide Early Learning and Child Care (CWELCC) system. However, the unused school-based funding will not be available for community-based projects. The Ministry will adjust targets for creating these spaces, balancing between school-based and community-based goals, but no new funding has been committed for the community-based expansion. Furthermore, the Start-up Funding under CWELCC is insufficient to be applied against and not intended for these capital initiatives.

Support for directly operated programs: It should be noted that directly operated services are the gold standard, exemplify best practices, and can be located in areas that have been otherwise overlooked and underserved. They can also represent good value for money; in the City of Toronto, a third-party value for money review found that Toronto’s directly operated child care centres serve vulnerable families in underserved neighbourhoods and represent a financially efficient model for the service they provide with only marginally higher costs than comparable centres. Despite this, the provincial CWELCC guidelines require that public sector expansion should not be prioritized.

Financial challenges: While operating funding to support growth under the CWELCC system has been provided, to address increased demand as costs for service become more affordable for eligible families, there is a requirement for incremental capital investments to support not-for-profit and public sector growth, where barriers to entry are high. Beginning in 2025, a new funding framework based on statistical benchmarks of the operating costs of a “typical” child care centre have created a system where approximately 50% of centres will require additional funding to support existing cost structures. The ongoing financial viability of the sector will require sufficient indexing of benchmarks to mitigate inflationary pressures and support cost-of-living increases to workforce compensation.

Inadequate administrative funding: system transformation efforts are hampered by insufficient administrative funding. While the Federal-Provincial agreement allows up to a 10% expenditure threshold for administration, the entirety of this amount has not been provided to service system managers. This discrepancy severely limits our ability to plan and manage the system effectively over its multi-year implementation. Administrative funding under the CWELCC guidelines is driven primarily by the size of the sector (i.e. number of spaces, projected growth) and does not account for relative complexity (i.e. number and type of child care agencies, cross-jurisdictional management and funding considerations).

4. What priorities would you, your community, and/or your organization like to see addressed by the Canada-wide ELCC system?

To enhance the Canada-wide ELCC system, the City of Toronto recommends the following to the federal government:

- a. **The CWELCC agreement must maintain the auspice ratio:** The City of Toronto is committed to growth and expansion in the not-for-profit and public sector. It is crucial for the federal government to uphold the auspice ratio of 70% not-for-profit spaces to sustain the effectiveness of the ELCC system.
- b. **Increase funding to support new not-for-profit operators to expand in the sector, particularly in underserved communities:** There is a need for increased and sustained support for not-for-profit organizations to expand within the sector. Fundamentally, expansion would be enabled through increased capital funding for not-for-profit organizations. In particular, the support should focus on assisting diverse operators to entering the field and navigating the complexities of becoming ELCC providers, while service system managers can offer navigation support, similar to the navigation assistance offered by the federal capital grant (though this remains challenging with limited administrative funding).
- c. **Increase capital funding to support growth in existing facilities:** More capital funding is needed to support the expansion and improvement of ELCC facilities and resources. Capital funding should reflect regional differences and costs. In particular, capital funding to encourage the creation of school-based spaces is important as school-based spaces are accessible for families, located in the community, and promote seamless transitions from child care to school.
- d. **Ensure subsequent CWELCC agreements include compensation that properly values the ELCC workforce:** There needs to be enhanced support for all ELCC staff, including better pay and benefits not just for Early Childhood Educators, but also for Early Childhood Assistants and other program staff. Growth is limited by the workforce and inadequate pay and benefits represents a common challenge for educators. Additionally, a comprehensive compensation investment should include continued funding for professional learning.
- e. **Adopt a standardized approach to assessing quality:** Measuring quality is important to establish benchmarks for child care as well as supporting the accountability for public dollars. The City of Toronto recommends the use of the AQI, which is a made-in-Canada tool that has been adopted by several other Canadian jurisdictions to monitor and assess quality. Further details on the AQI are provided in the response to Question 5.
- f. **Include funding for Special Needs Resourcing as part of CWELCC funding:** Clearly defining funding supports for children with extra support needs as part of the CWELCC system (rather than existing outside of it) will help recognize the importance in addressing the current gaps in adequately supporting special needs resourcing programs.

- g. **Recognize the costs of delivering flexible child care options:** Flexible child care options (including evening hours, weekend, and overnight options) are important but current funding levels do not appear to recognize the added cost of delivering flexible child care (e.g., insurance, wage premiums, etc.). Funding levels need to recognize these added costs in order to ensure their availability for families. Parameters for flexibility should be considered for funding considerations.
- h. **Encourage the implementation of multi-year funding:** System planning is best enabled when multi-year funding is known. Service system managers and operators would benefit from the predictability rather than reacting to “just-in-time” budgets that are announced annually and subject to fluctuations.
- i. **Engage directly with Indigenous community:** To advance self-determination, the federal government should consult and deliver funding that enables the Indigenous community to implement services and programs that best serve their community’s needs. Barriers to self determination must be removed consistently for the better of Indigenous children and families.

5. Are there other initiatives or innovations (e.g., that other governments, organizations, academia, or businesses have introduced or proposed) you think the Department of Employment and Social Development should be exploring to help build the Canada-wide ELCC system?

The Ontario-Canada-wide Early Learning and Child Care agreement CWELCC speaks to three dimensions of quality: maintaining and improving evidence-based quality frameworks, standards, and tools for ELCC; developing a wage framework for ECEs; and increasing the percentage of qualified employees in the sector. While the latter two items are important, a key innovation that is aligned with evidenced-based quality standards and tools is the implementation of a validated and standardized quality assessment tool.

The City of Toronto employs the Assessment for Quality Improvement (AQI) to evaluate quality for infant, toddler, preschool, and school-age classrooms. The AQI is the only Canadian validated measure of early learning and child care quality (Perlman et al., 2016) and was developed through consultation with academic experts within the sector, Indigenous communities, French language operators, Toronto Children’s Services, and is based on research and best practices of high-quality programs (Perlman et al., 2016). The City of Toronto also makes assessment information available to the public using the website to post centre results. In this way, the AQI informs parent/caregiver choice in child care while ensuring that public funds are used in appropriate and transparent ways.

Three provinces and the North Shore Head Start programs have adopted the AQI as part of their implementation of CWELCC.

Accordingly, the City of Toronto recommends that the Federal Government requires, in subsequent iterations of agreements with the provinces and territories, that the Canadian Validated Assessment for Quality Improvement be used and funded as the measure of high-quality child care. Enhanced and sustained funding to support a program of ongoing quality assessment will support the achievement of one of a key component of the CWELCC vision: that all families in Canada have access to high-quality ELCC no matter where they live. A

rigorous quality assessment framework that supports high quality learning environments will support positive child outcomes with greater returns among equity-denied families. Robust quality assessments can also contribute to minimizing inequities between families of varying socioeconomic status. Resource constraints may practically limit the set of options available to lower income or otherwise equity denied families; as such a general regulatory framework for quality may be the most effective system to reduce inequities (Vandenbroeck, 2015). For further information, please see Appendix A attached to this submission.

6. Do you have ideas on how the federal government could support the ELCC workforce?

To support the ELCC workforce, the federal government could consider the following actions:

Enhance workforce wages and implement wage scales: Take an enhanced role in improving workforce wages that helps attract and retain skilled professionals. In addition, the provision of pension plans for workers could address recruitment and retention for staff. Currently those in the sector stay on average 5 years.

Further, the federal government can establish and enforce wage scales for child care workers, along with corresponding funding to support the wage increases. Wage scales must adequately value the contributions of staff, be fully funded and sustainable, and reflect regional differences in the cost of living.

Immigration Policy: Develop and implement immigration policies that welcomes qualified child care sector workers.

Tuition Waivers: Provide funding to waive tuition for child care related degrees and certifications, to ensure education is more accessible.

Attachments:

- AQI position paper
- Roundtable Summary presented at ECDC