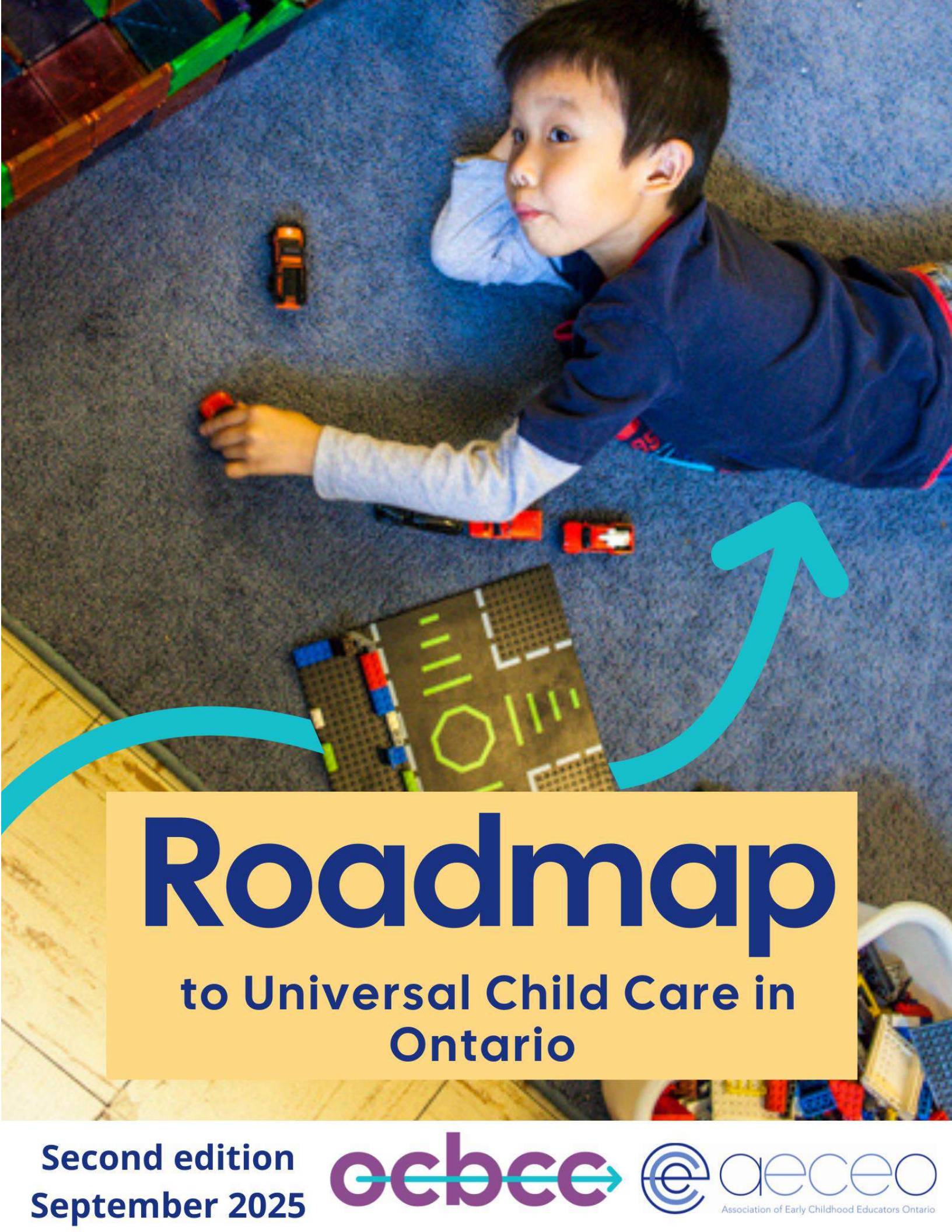




Roadmap

to Universal Child Care in
Ontario

Second edition
September 2025



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Roadmap to Universal Child Care in Ontario. Second Edition.

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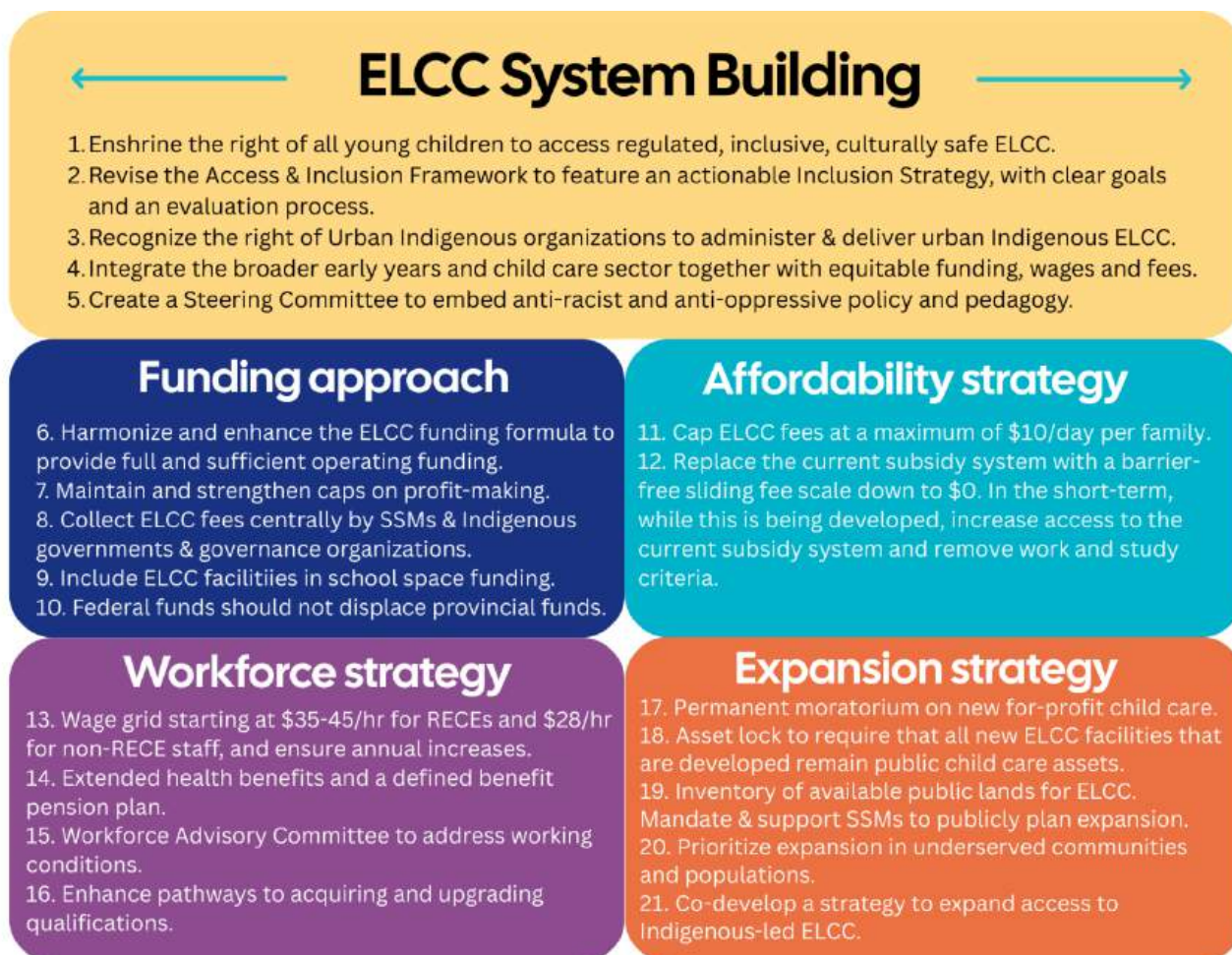


Executive Summary

Ontario's implementation of the Canada-Wide Early Learning and Child Care plan has improved affordability and access to child care for many families, but issues like staffing shortages, stalled space creation, and inequities in school-age child care persist.

Most urgently, Ontario must sign a new bilateral agreement with the federal government to maintain the current benefits experienced by children, families and the economy. The current agreement expires March 2026.

The *Roadmap to Universal Child Care in Ontario* evaluates progress made, makes a call for renewed government collaboration, and offers a plan of recommended policy interventions for Ontario to achieve bold progress in ELCC system building, funding, affordability, workforce development, and expansion.



Introduction to the Second Edition

We are pleased to present this second edition of the *Roadmap to Universal Child Care in Ontario* (which we will refer to as *the Roadmap* throughout). The Ontario Coalition for Better Child Care (OCBCC) and the Association of Early Childhood Educators Ontario (AECEO) have collaborated on this joint roadmapping project since the announcement of the Canada-Wide Early Learning and Child Care plan (CWELCC or \$10aDay plan) in 2021. This project was developed in response to Child Care Now, Canada's national child care advocacy association, who created [*Canada's Roadmap to Affordable Child Care for All*](#), and challenged provincial/territorial coalitions and associations to develop regional counterpart documents.

Created in consultation with the OCBCC and AECEO's members, partners and allies, the *Roadmap* sets out a shared vision of how many people in the early learning and child care (ELCC) community would like to see CWELCC implemented in Ontario.

Since the publication of the *Roadmap's* first edition in July 2021 it has been used by Ontario child care advocates, researchers, operators, and educators to focus and unify their advocacy messages to government. It has influenced plans and roadmaps developed by child care advocates in other Canadian provinces. It informed a coordinated bargaining campaign by a local labour union. It has been used by politicians as the basis for Council motions and Private Members' Bills. Some - but not all - of its recommended provincial policy interventions have been implemented. We hope that this new edition of the *Roadmap* will similarly unite and galvanize advocacy efforts, spur further research, and influence the direction of ELCC policy development in Ontario.

Since the first edition, the OCBCC and AECEO have also elaborated on the *Roadmap's* vision and policy interventions in [a series](#) of policy briefs that discuss specific issues in more detail, and program profiles that highlight innovative programs and practices across Ontario. This series includes our [*Position Paper on a Publicly-Funded Early Learning and Child Care Salary Scale*](#), which anchors our advocacy toward decent work and pay.

The *Roadmap* sets out a hopeful vision of an ELCC system with affordable fees, decent work and pay for educators, and access for all, and recommends policy interventions to make that vision a reality. This second edition of the *Roadmap* evaluates the progress that has been made toward key aspects of our shared vision, discusses current issues, and updates the recommended policy interventions to address the evolving context of Ontario's implementation of CWELCC.

We hope you'll join us on the road to universal child care.

Our Shared Vision for Early Learning and Child Care in Ontario

Children will have the right to early learning and child care. Every child will have the right to access child care in their community that reflects and honours their identity. Every child, regardless of their abilities, will thrive, feel valued, and belong in their environment.

Families will know that there is a child care space in their neighbourhood when they need it and will not have to join waitlists. Families will know that they can afford a child care space because fees will be capped at \$10aDay per family with a sliding fee scale to \$0.

Educators will know that they are respected for their knowledge, skills, talents, and education. With decent pay, benefits, and pensions that reward their experience and ongoing professional learning, they will know that they can build a meaningful, lifelong career in Ontario's ELCC system.

Children will know that there is a caring and joyful place for them to play and learn each day. They will form attachments with educators and learn in relationship with them, confident that these same educators will be there each day. Children whose parents work shifts, weekends, or part-time hours will know they have stable and caring spaces to grow and learn too.

Child care operators, regional service system managers (SSMs), and communities, including official language minority communities (OLMCs) will know that they can work collaboratively to make steady progress to plan and meet ELCC needs in their local communities without being held back by funding uncertainty or threats of the \$10aDay plan's cancellation.

Governments will recognize, embrace, and fulfil their responsibility to fund, support, and plan an ELCC system in both official languages. They will build a non-profit and public system that meets the needs of all children, families, and communities for generations to come, with integrity, ambition, and care.

Building a caring and inclusive world. Our ELCC system will be one that reflects on and responds to the crises of our times. It will address and counter racism, ableism, settler-colonialism, and the environmental crisis. Ontario's development of ELCC policy will respect the right to self-determination through meaningful, transparent collaboration with First Nations, Métis, Inuit, and Urban Indigenous communities and organizations. It will expand Indigenous control, management and coordination of child care services. It will respect the right of francophone children and families to early learning and child care in French. It will transform pedagogical approaches in Ontario's ELCC sector to centre anti-racist, anti-colonial, and anti-oppressive knowledges, frameworks, and pedagogy. It will be founded on a comprehensive, interdisciplinary inclusion strategy that centres the voices and experiences of the disability community and embraces the principles of Universal Design for Learning.



From Three Big Ideas to Five Key Strategies

Child care advocates in Ontario have campaigned for several years for action on Three Big Ideas that could broadly describe a new ELCC system: affordable fees for families; decent work and pay for educators; and enough quality public and non-profit spaces for all.

Our *Roadmap* evolves these three ideas into five more detailed, actionable strategy areas to address the issues of:

1. system building;
2. funding sources and funding approach;
3. affordability;
4. workforce; and
5. expansion.

These five strategy areas are, of course, interconnected. The provincial government's funding approach impacts affordability for families, compensation for educators, and expansion of access. System building can be seen as an overarching goal of all other elements. Nevertheless, we have organized this *Roadmap* into these five strategy areas to ensure that all five of these interrelated strategies are teased apart and adequately addressed. Each strategy begins with an evaluation of the progress achieved to date, moves to confirming our vision, and ends with our recommended policy interventions.

Ontario has made remarkable progress since entering CWELCC, especially on affordability, showing the power of federal and provincial collaboration to create positive change in the ELCC system and for Ontario's children and families. There are still many concerns, especially related to staffing shortages and stalled space creation. These issues make it imperative that we continue to come together as a community, challenge the status quo, and push all levels of governments and our sector to ambitiously transform our ELCC system into one that is affordable and accessible for *every* family, and one that puts decent work and pay at its core.

It takes time and long-term collaboration to build a new public system. Since the beginning of CWELCC, intergovernmental collaboration has at times been strained and marked by a lack of alignment between the federal and provincial governments, especially surrounding Ontario's repeated requests to increase for-profit expansion. While the two governments reached an agreement-in-principle to extend the Canada-Ontario CWELCC agreement by five years (from 2026 to 2031), as of the date of publication the Ontario government has not officially signed a CWELCC funding extension and has now raised new concerns about federal funding levels without increasing their own contributions to date (see Funding Sources and Funding Approach section for further discussion).

The progress that has been made thus far cannot fall prey to intergovernmental conflict or partisan politics. We need all levels of government to embrace system change. Our demand presented in the first edition of the *Roadmap* in 2021 still rings true, "We need our provincial government to work collaboratively with the federal government, local service system managers and communities to make

this vision a reality” (p.3). We urge all levels of government to strive for bold progress in all five strategy areas and to follow through on commitments to Ontario families.

Our Perspective on Quality

A growing number of early childhood education theorists and philosophers (see works of Dahlberg, G., Canella, G., Langford, R., Moss P., Nxumalo, F., Pèrez, M., Pacini-Ketchabaw, V., Pence, A., Urban, M., among many others) have called for a rethinking of dominant, technical approaches to defining and monitoring quality. There is now a recognition that it is the important role of well-educated ECE staff with decent work who bring “quality” to life through caring relationships and pedagogy with young children and families. Quality is more than a checklist of materials or aesthetic activities. It is a dynamic, lived experience that is co-created by ECE staff, children, and families and that is only possible when robust system level supports are in place. Quality is a program where all children, staff, and families have a shared sense of belonging that nurtures every participant’s growth and engagement.

We are encouraged that new federal legislation, the [*Canada Early Learning and Child Care Act*](#), affirms the federal government’s commitment to, “support the provision of, and facilitate equitable access to, high-quality early learning and child care programs and services — in particular those that are provided by public and not for profit child care providers — that meet standards set by provincial governments or Indigenous governing bodies, that are reflective of other evidence-based best practices in high-quality service provision and that respond to the varying needs of children and families” (7.1.a). The recognition of the importance of quality in ELCC settings is a significant and important step for the future of ELCC in Canada. However, implementation issues at the provincial level create challenges and barriers to fully realizing this commitment across all programs.

In this *Roadmap*, we resist creating distinct recommendations specific to quality, under the false pretense that issues of quality can be separated from issues of the workforce or of system-building. In fact, just as quality is woven through ELCC programs in the caring and trusting relationships and staff-to-child interactions, so too are the recommendations for good programs woven throughout this document. We recognize and acknowledge quality throughout this document in our recommendations on structural elements that contribute to quality environments and make process quality more possible. These include funding levels, wages and working conditions, pedagogical approaches, access to outdoor spaces, and professional learning. Thus, we honour the conceptualization of quality as woven through a well-funded and supported system, not siloed into separate policy interventions or programs. With a well-funded and well-guided ELCC system, we believe that quality programs will flourish.



System Building

Evaluating progress

Ontario's implementation of CWELCC has meant that affordability and access to child care have improved for many Ontario families. Transforming Ontario's patchwork of market-based child care services into a comprehensive and universal, publicly funded and managed system still requires work in a number of areas. These areas include funding formulas and guidelines, fee structures, workforce strategies, and planned expansion. These initiatives must be brought together by an overarching plan for a rights-based system.

In 2023, Ontario released its [*Access and Inclusion Framework*](#) which, "is designed to support Service System Managers (SSMs) with developing and implementing local service plans with an increased focus on access as it relates to inclusion" (p.6). The Province's framework includes the following vision statement: "Ontario's vision for the CWELCC system is that more families in Ontario have access to high-quality, affordable, flexible, and inclusive early learning and child care no matter where they live" (p.6). Later the framework specifies a goal of increasing "the provincial average access rate to 37% by 2026" (p. 10). While admirable, both this vision and goal still fall short of a plan for universal access. Interestingly, the same *Access and Inclusion Framework* acknowledges that, "the CWELCC system presents opportunities for the ministry and SSMs to plan for and build an affordable child care system that is inclusive and accessible to all" (p. 8). The Province has not yet aligned its vision, goals and actions with the opportunity that CWELCC provides - the opportunity to achieve an ELCC system for all. Despite some advancement, child care in Ontario is still treated as a private service rather than a public good. Children do not have a right to access early learning and child care.

Ontario's *Access and Inclusion Framework* states that, "the province is committed to a child care system that is accessible for all children and will develop a plan that also supports access to affordable child care for underserved and vulnerable children and children from diverse populations, including, but not limited to, children living in low income families, children with special needs and those needing enhanced or individual supports, Indigenous children, Black and other racialized children, children of newcomers to Canada, and official language minorities" (p. 21). Many of our members and allies have expressed concerns about a gap between the aspirations in the *Access and Inclusion Framework* and the reality of inclusion, reporting an ongoing lack of real inclusion for those seeking and experiencing services firsthand, with no actionable plan to bridge the gap.

The *Access and Inclusion Framework* concludes that the, "ministry will continue to consider the sector's feedback on longer term policy and data collection initiatives as part of ongoing CWELCC policy and program development. As such, the *Access and Inclusion Framework* will continue to evolve as consultations continue and additional data and reporting become available throughout the implementation of CWELCC" (p. 22). This suggests that the current *Access and Inclusion Framework* is but one step in long-term work to improve inclusion in our ELCC system. This work must shift from a framework to a clear, actionable, inclusion strategy.

More than 85% of Indigenous children in Ontario live in urban and rural communities, but, more often than not, they do not have access to Indigenous-led child care where they reside, according to the Ontario Federation of Indigenous Friendship Centres. Moreover, Indigenous-led off-reserve programs, like Friendship Centres, do not have the right to be administered by Indigenous governance organizations rather than SSMS. While we are encouraged by steps taken under the [Indigenous Early Learning and Child Care Framework](#), more needs to be done to ensure Indigenous children have access to culturally and linguistically safe Indigenous-led early childhood programs no matter where they live.

According to the Association francophone à l'éducation des services à l'enfance de l'Ontario (AFESFO), only 27% of the 22,575 children aged 0 to 4 whose parents are entitled to education in the minority language (under section 23 of the Charter of Rights and Freedoms) have access to a space in French. This statistic does not include families who are not entitled by right to education in the minority language, who are immigrants, speak only French as an official language and wish to enroll their children in a French-language program.

Ontario still silos different parts of the broader early years and child care sector. CWELCC, school-age child care, EarlyON, family support programs, and the school system have entirely different and separate funding and governance structures. This creates inequities, and nowhere is this clearer than in school-age child care. Since it has not been included in CWELCC, school-age child care is still unaffordable for many families and fees continue to rise. The City of Toronto recently reported in their [Early Years and Child Care Service Plan 2025-2030](#) that between 2021 and 2025, the “median daily school-age fee increased by 11% while all other age groups have seen decreases ranging from 49% to 75% over the same period” (p. 28). At the same time, the number of school-age spaces is declining. Progress in one area of the ELCC system must not mean that we are leaving behind others who need to be included and supported through policy and funding.

Our vision

Goal: All children have the right to access regulated, affordable, inclusive, culturally safe, early learning and child care.

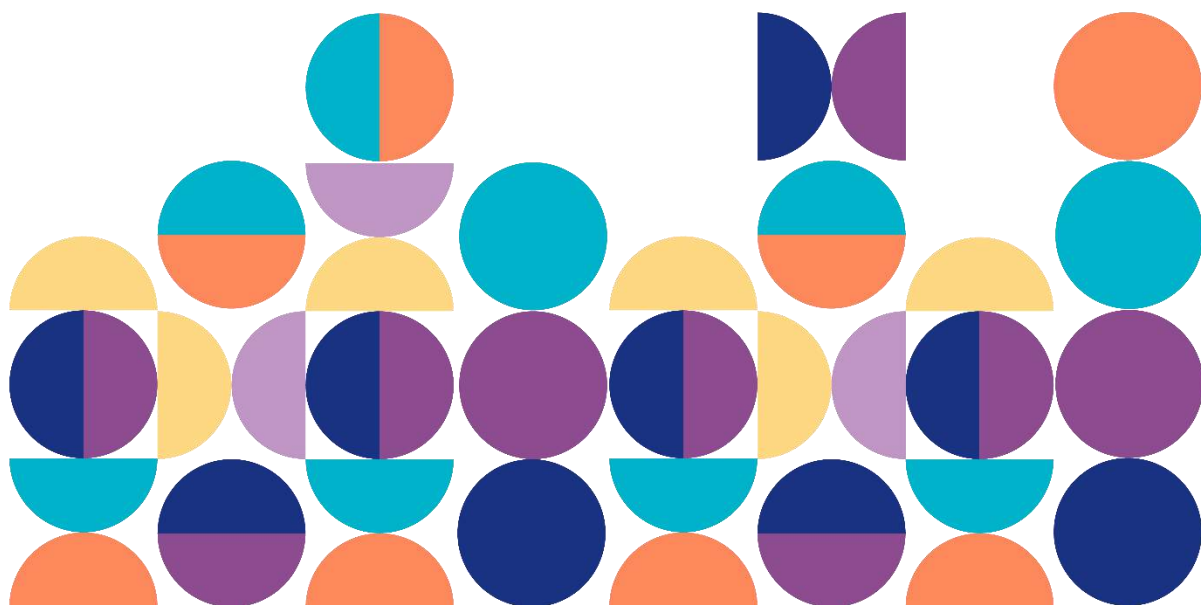
A critical step to building a new system is for the Province to set a long-term goal of universal access and to enshrine children's right to early learning and child care in the *Child Care and Early Years Act*. Ontario should develop both short- and long-term detailed plans to achieve improvements in access. Child Care Now recommends that Canada should aim to achieve 65% coverage for 0-6 year olds by 2031 - a goal that Ontario should adopt.

Ontario should better integrate the programs of the broader early years and child care sector to create a comprehensive rights-based system to support children, families, and communities. This should include working with the federal government to bring school-age child care into the CWELCC system. The [Canada Early Learning and Child Care Act](#) states that the Government of Canada is committed “to supporting the establishment and maintenance of a Canada-wide early learning and child care system, including before- and after-school care” (p. 1).

A rights-based system also goes beyond access. Between 2022 and 2024 the OCBCC convened an anti-racism working group made up of racialized mothers and educators. Their [recommendations for creating an anti-racist child care system](#) in Ontario should be foundational to a rights-based and culturally safe system so that it can address colonial and racist structures. Ontario must undertake a transparent and open consultation process through which data, impact deliverables, and consultation documents can be used to maintain accountability for the significant transformation that is required.

Recommended policy interventions

1. Amend the *Child Care and Early Years Act* to enshrine the right of all young children to access regulated, inclusive, culturally safe early learning and child care.
2. Revise and enhance the *Access and Inclusion Framework* to feature an actionable Inclusion Strategy, with clear goals and an evaluation process created in collaboration with the Disability Community and other individuals with additional support needs, child care sector leaders, researchers, and stakeholders, that will serve as a foundation of system planning.
3. Make legislative and regulatory changes that recognize the right for Urban Indigenous organizations to administer and deliver Urban Indigenous child care in order to contribute to the expansion of Indigenous-led care and cultural reclamation for Indigenous children and families.
4. Integrate the broader early years and child care sector together with equitable funding, wages and fees. This includes bringing school-age child care into the CWELCC system, ensuring equitable wages in EarlyON programs, and recognizing Resource Consultants and other professionals as part of a well-supported system.
5. Create a Steering Committee to embed anti-racist and anti-oppressive policy and pedagogy. The Committee should be able to make recommendations across ministries and provide public reports to the Minister of Education and legislature. The Committee should prioritize the voices, needs, and experiences of Black, Indigenous, and racialized educators and families.



Sources of Funding and Funding Approach

Evaluating progress

The [Canada-Ontario ELCC Agreement](#) sets out conditions on the use of federal funding, explicitly stating that “Canada and Ontario agree that funds provided under this Agreement will be used to ensure improvements in ELCC as outlined in section 2.1.1 and will not displace existing provincial or municipal spending in place on or before March 31, 2021”. However, tracking and analysing Ontario’s own contributions to ELCC has become more difficult. Prior to 2025, provincial funding allocations to municipalities documented the source of funding, showing provincial contributions [had declined since 2018](#). Since 2025, a comparable funding breakdown has not been made public by the province.

The City of Toronto’s [Children’s Services Service Plan 2025-2030](#) (p. 18) provides a breakdown of federal, provincial, municipal and family contributions to ELCC operating funding: 49% federal, 26% provincial, 20% family, 5% municipal. Prior to CWELCC, government responsibility for funding ELCC fell mostly to the province. With the introduction of CWELCC, the federal government is now providing the bulk of the funding. As we build this new system, the community should be able to rely on the federal and provincial governments to be equal funding partners, supporting the growth and sustainability of our ELCC system.

CWELCC’s initial implementation relied on a revenue replacement model that left many child care programs with growing deficits. In 2025, Ontario implemented a new cost-based funding formula that aimed to better reflect programs’ actual costs by using allocations based on average regional costs and operating factors. The government’s stated goal was to create a more standardized and predictable funding system to ensure that programs could run effectively and cover their necessary costs. The new funding formula starts with “benchmark funding”, a block of funds that covers average regional costs. By design, about half of operators have their existing costs fully covered or exceeded by benchmark funding. In an effort to ensure programs with higher-than-average costs, also called “legacy” operators, can continue to provide services, the formula provides a “legacy top-up” to cover their additional costs.



The move to a cost-based funding formula has been, broadly, welcomed by the child care sector, although there have also been questions and concerns. Priority issues include, but are not limited to:

- No provincial wage grid;
- No provincial benefit or pension plan, and insufficient funding to cover the full costs of many child care programs' benefit plans;
- Funding shortfalls, as benchmark funding is based on reported 2023 costs rather than current funding needs;
- Accuracy of "geographic adjustment factors" that vary the amount of funding by region;
- How cost escalation will be addressed going forward;
- Insufficient limits on profit-making;
- Administrative burden on operators, for example administering different CWELCC and non-CWELCC school-age funding regimes, as well as site-by-site budget reconciliation; and
- Home child care funding formula is insufficient.

Our vision

Goal: Child care programs are directly and sufficiently publicly funded.

Publicly funding child care programs' operating costs both directly and sufficiently is the key to addressing both affordability for parents and decent pay for educators. While Ontario's cost-based funding formula has brought more predictability to child care funding, issues still remain, as outlined above. A full and sufficient public funding approach must harmonize all grants into simpler streams of operating funding that cover child care programs' *full* costs. An updated cost-based funding formula should be based on a fair and effective provincial wage grid to address ongoing wage inequity across programs.

Given that we are moving toward a set fee rather than a market fee system, it no longer makes sense for child care programs to administer and collect these fees from families. It would lessen administrative burden for child care programs for local Service System Managers (SSMs) collect the fees from families, and this revenue to simply be made part of centres' funding. As we discussed in System Building, school-age child care should be brought into the CWELCC system and covered by the same cost-based funding formula.

Although licensed child care has been part of the Ministry of Education since 2010, much more must be done to break down barriers between the ELCC system and the public education system. Even with the implementation of the new cost-based funding formula, rents and accommodation fees continue to be a major expense, and one that is often variable and outside of programs' control. Even when co-located in schools and public facilities, rent costs may be above what is funded through the funding formula. The issue of heat stress in school-based child care in Summer 2025 made clear that our school spaces must be made safe for child care programs year-round. As a matter of priority to building a publicly-funded

system, it is essential that there is collaboration between programs, school boards, SSMs, and the province in order to best use public dollars to build quality spaces.

It is time that we finally treat early learning and child care as an equal partner and integral part of the education system.

Recommended policy interventions

6. Harmonize and enhance the child care funding formula to provide full and sufficient operating funding that meets the true costs of child care programs and regulated home child care providers and agencies.
7. Maintain caps on profit-making and embed further guardrails to protect public investments; ensure surplus earnings are reinvested in continuous program improvements and public dollars are invested in quality care and education for children.
8. Collect child care fees centrally by SSMs and Indigenous governments and governance organizations, relieving child care programs of this administrative task.
9. Change the education funding formula to include child care facilities in school space funding and ensure integration into the school community. Eliminate rent for child care programs in schools.
10. Tri-lateral collaboration is required to ensure transparent, just, and equitable funding for First Nations, Metis, Inuit and Urban Indigenous child care programs. Funding through Jordan's Principle, Indigenous Early Learning and Child Care agreements, CWELCC agreements, and provincial allocations should all contribute to service the needs of Indigenous children where they reside and ensure access to Indigenous-led programs across Ontario. No federal funds should displace provincial funding commitments or responsibilities.



Affordability Strategy

Evaluating progress

By the end of 2022, 92% of licensed child care programs in Ontario opted-in to CWELCC and began providing families with fee rebates and then reducing child care fees, first by 25%, then 50%. As of 2025, CWELCC child care fees are capped at \$22-a-day per space and, as per Ontario's agreement, are planned to decrease to an average of \$10-a-day per space by 2026. Ontario still maintains its low-income fee subsidy system, so that families who apply, qualify, and gain access to partial subsidy pay less than the full fee and fully subsidized families pay no fee.

An average of \$10-a-day per space is still unaffordable for many families. Ontario's low-income fee subsidy system has been unchanged for years, and is plagued with barriers and waitlists. The fee subsidy system requires those who qualify to regularly meet intrusive work and study criteria or lose access to their subsidy and thus their space. We have heard from many families that feel the strict rules they must follow to maintain their subsidy are invasive and dehumanizing. This holdover from the days when child care was treated as a restrictive welfare service has no place in our ELCC system today.

Our vision

Goal: Licensed child care is affordable for every family.

As we move to a ELCC system that is fully and sufficiently publicly funded, child care will become more affordable for many families. This should include a clear set fee of a maximum of \$10-a-day *per family*.

We must ensure that our new system is affordable to all and does not leave behind low-income children and families. In the short-term, work and study criteria for fee subsidy should be immediately removed and waitlists for subsidy should be cleared. Next, Ontario's current low-income parent fee subsidy system should be redesigned into a geared-to-income sliding fee scale down to \$0, which ensures that child care is affordable for every family. As discussed above, this should include school-age child care, which should be brought into the CWELCC system.

Recommended policy interventions

11. Cap child care fees at a maximum of \$10-a-day per family.
12. Ontario should work to replace the current subsidy system with a barrier-free sliding fee scale down to \$0. In the short-term, while this is being developed, increase access to the current subsidy system and remove work and study criteria.

Workforce Strategy

Evaluating progress

Thanks to the changes brought about by CWELCC, Ontario now has a wage floor in licensed child care for the first time. The first Ontario wage floor, set at just \$18 per hour for RECEs in CWELCC programs, was met with widespread criticism and it was subsequently raised to \$23.86 per hour in 2024, and again to \$24.86 per hour in 2025. Some RECEs in CWELCC programs, making under the ceiling (\$27 per hour in 2025), have also been receiving \$1 per hour annual increases as part of the CWELCC wage improvement. There have also been modest improvements on non-compensation elements, including the provision of some paid professional development and the creation of mentorship programs and other professional supports. While models vary across SSMs, [program participants and community organizations report](#) how meaningful and transformative these opportunities can be.

On issues of broader compensation Ontario lags behind other jurisdictions like PEI and Nova Scotia that, since the implementation of CWELCC, have introduced new pension and extended health benefits plans for the ECE workforce. While some ECEs in Ontario have access to extended health benefits, pensions, or RRSPs, access rates remain low and coverage varies by employer where available.

Although current CWELCC wage increases are welcome, ECEs continue to suffer under the cost-of-living crisis. In July 2025, [Statistics Canada published a report](#) stating that the income gap rose to 49 percentage points from 43.8 percentage points in 2021. At a time when Canadians are facing economic uncertainty and an increasingly high cost of living, improving ELCC staff wages must be taken seriously. If staff cannot afford to work in ELCC programs, they will leave the sector to find work elsewhere. Without an attractive, competitive wage that keeps staff in their positions, we cannot hope to expand affordable child care programs in Ontario.

The current wage floor policy only extends to staff registered with the College of Early Childhood Educators (CECE), and does not recognize the important contributions of other staff. It also excludes professionals like Resource Consultants, who are critical to the delivery of ELCC programs. Further, it does not equitably address wage disparities across the sector, leaving variances across workplace settings, between licensed centre- and home-based child care, and RECEs outside of CWELCC.

In relation to its success in addressing workforce shortages, there has been no evidence that the modest wage increases to date have been enough to turn the tide on the recruitment and retention crisis in Ontario's early learning and child care sector. Licensees still regularly report challenges hiring and retaining staff, especially qualified staff. A [recent survey of the ECE workforce](#) found that 1 in 4 are planning to leave the field in the next 5 years. In fact, according to Ontario's 2024 [Early Years and Child Care Annual Report](#), the percentage of the licensed child care workforce who are RECEs has dropped to 56% - opposite of the Ontario CWELCC action plan's goal to increase the percentage of RECEs to 60%.

Working conditions in Ontario are still characterized by many challenges, and little has been done to improve working conditions across the province. The lack of decent work has driven qualified professionals out of the sector and is deterring new graduates from entering the profession. Home child care agencies continue to report difficulty recruiting new home child care providers. Challenging working conditions are often described by the ECE workforce as issues related to the physical environment (for example access to staff rooms), staffing levels (high staff: child ratio, staff turnover, isolation of qualified staff in program and home child care providers), a lack of access to mentorship and pedagogical leadership both in program and in the broader community, a lack of pedagogical security, and a lack of voice in setting the conditions of their work (lack of access to distributed leadership, union representation, etc.). Addressing these challenges requires policy and systems change across legislative and regulatory environments and involves pre-service education, community organizations, child care operators and home child care agencies. Challenging working conditions cannot be addressed in one-off policies or temporary initiatives.

To build a high-quality early learning and child care system, Ontario must deliver on decent work and pay for early childhood educators, early years staff, and child care providers.

Our vision

Goal: A system that truly values the early childhood workforce with decent work and pay and where educators can build a lifelong career.

Early Childhood Educators, early years staff, and child care providers are the heart of our early learning and child care system. Their pedagogical, caring work with young children creates possibilities for communities, our collective well-being, and for a better world. It is the responsibility of a child care system to value those whose work underpins this hopeful vision.

Compensation

Addressing compensation is essential to support educators, stabilize the child care system, and expand spaces to meet the needs of more children and families. As Child Care Now's [National ELCC Workforce Policy Table](#) reports, many provinces and territories across Canada have made significant strides to better support the ELCC workforce, including the introduction of, or commitment to develop, wage grids, new health benefits programs, and pension programs. Alberta and Ontario are the only provinces that have not committed to developing and implementing a wage grid. We must ensure early childhood education is a viable life-long career that respects educators, their work, and their knowledge. This starts with appropriate compensation.

We envision an early learning and child care system where educators benefit from:

- A wage grid that reflects the value of the work;
- Annual and predictable increases aligned with cost-of-living increases;

- Mechanisms to address long-standing wage inequities and value alternative qualifications, culturally relevant languages, skills and knowledges that are developed in consultation with relevant communities;
- Extended health benefits;
- Defined benefit pension programs;
- Opportunities for career advancement accompanied by wage increases that value further education and expertise; and
- Fair and equitable compensation for home child care providers.

Working conditions

Addressing ELCC working conditions requires addressing complex and interconnected elements including funding structures, qualifications, staffing models and job roles, regulatory requirements, post-secondary education, and qualification pathways. While the challenges reported by educators are consistent across the sector, unique solutions may be required to address workplace conditions in different workplace contexts. For example, licensed home child care settings may require different strategies than centre-based programs. In order to improve working conditions while moving towards a robust, well-supported, qualified workforce, these complex policy issues must be taken up in collaboration with the sector.

We envision an early learning and child care system where all educators benefit from:

- Enhanced staff to child ratios and qualified staffing levels;
- Reduced group sizes where appropriate to facilitate meaningful inclusion of children with disabilities;
- Consistent and predictable access to professionals, like resource consultants, occupational therapists, nurses, and speech and language pathologists, in program to support children with disabilities;
- Pedagogical security and autonomy in responding to the needs of children, families and communities;
- The provision of daily, collaborative, on-site paid planning time for centre-based programs;
- A community-driven model to connect and support licensed home child care providers;
- Permanent paid sick and emergency leave days;
- Engagement in mentorship opportunities, like communities of practice and mentoring programs, as part of the paid work environment;
- Non-contact time to access meaningful professional learning opportunities;
- A career lattice that will strengthen program quality while formally recognizing the value of credentials, experience, and traditional knowledges;
- Well-resourced, culturally safe, and healthy work environments; and
- Democratic processes that enable staff to contribute to shaping their work environments.

Policy solutions to Ontario's ELCC workforce challenges must be democratically developed through a Workforce Advisory Committee that centres the voices of the early years and child care workforce,

including Black, Indigenous, francophone, and racialized educators and child care providers, and includes provincial organizations and sector stakeholders. Public reporting and accountability measures are essential to ensure transparency for the sector and that progress is tracked. It is essential that workforce policy is threaded through system-building and supported through consistent and predictable funding to programs and SSMS. This would enable locally and contextually responsive program development and delivery.

The following priority policy interventions will help to recalibrate the current system and set a foundation for the future.

Recommended policy interventions

13. Develop, implement, and fund a wage grid starting at \$35-45 per hour for RECEs and \$28 per hour for early years staff, and ensure annual increases. There should be a corresponding daily rate plan for licensed home child care providers.
14. Develop, implement, and fund an extended health benefits package and a defined benefits pension plan.
15. Create a Workforce Advisory Committee to address challenging working conditions. The Committee must work alongside the Ministry of Education to develop a consultation and reporting plan, and establish clear goals, data points, and impact deliverables for Ontario's ELCC workforce strategy.
16. Reimagine and enhance pathways to acquiring and upgrading qualifications, which responds to the needs, and reflects the strengths and skills, of rural, remote, equity-deserving, and culturally and linguistically distinct communities.



Expansion Strategy

Evaluating progress

As child care fees have become more affordable, more families are seeking access to licensed child care. The popularity of CWELCC has meant that there are growing waitlists to access affordable spaces. This popular demand for spaces should galvanize governments to build on CWELCC's success with ambitious expansion and the goal of universality. Without a clear goal to ensure access for all families, waitlist stress for families and compounding missed opportunities for economic growth, especially for lower income and equity-deserving families, will only increase.

Before CWELCC, Ontario relied on a market model for the expansion of child care. This led to uneven and inequitable distribution of child care services around the province, with more than half of Ontario's children living in child care deserts where families are particularly underserved. Sociologist Susan Prentice has described this private approach as the "popcorn method" of child care expansion - whether child care pops up in a given area or not mostly relies on either non-profit organizations or for-profit businesses to decide to open there.

Since the introduction of CWELCC, Ontario has shifted to a "directed growth" strategy, where the province has set a target of 86,000 new child care spaces, and has tasked SSMs with identifying priority areas in their regions for child care expansion. The provincial government provides start-up grants to help cover the capital costs of development, but these do not cover the full cost. The new [funding formula](#) provides a "growth top-up for new centres/agencies, or existing centres/agencies that expand with new licensed spaces/active homes in the calendar year. This is to recognize that typical costs may vary within economic regions and to encourage growth" (p.26). Our members have shared that this "top-up" is too low to spur expansion, especially among higher cost or "legacy" providers.

The expansion process continues to rely largely on calls for proposals and applications, processes which can be burdensome and lengthy. Private organizations are still expected to shoulder much of the financial and administrative burden of undertaking growth. Creating further barriers, the provincial government has implemented a policy of making new public municipal child care a last resort. This means that municipal child care can only be created when no private provider, nonprofit or for-profit, can be found. This runs counter to CWELCC's stated goal of predominantly public and non-profit expansion and counter to our recommendations in both the 2021 *Roadmap* and this second edition.

Thus, while Ontario has taken some steps from unplanned market growth to a more publicly planned ELCC sector, we do not yet have system planning with the goal of achieving access for all. Provincial rules limiting new municipal operation are hampering expansion in the public sector. Changes in 2025 by the province to regions' directed growth space targets lacked transparency and consultation, and have stifled system planning efforts.

Currently, there is nothing stopping organizations from accepting public funding, developing and maintaining child care facilities, only to sell them off to turn a profit. [Armine Yalnyizian has detailed](#) the

troubling role of private equity in the care economy, including its growing presence in Canadian ELCC: “Private equity is a form of profitization whose modus operandi is stripping profits from pre-existing economic activities, then flipping the assets to the highest bidder who buys a now more “profitable” enterprise. This is achieved by standardizing practices to only the lowest-cost, highest-price activities (creaming); reducing staffing levels and qualifications of staff to better control (axe) wages and benefits; relying on a model of human resource planning that views churn as a good thing (temporary and migrant workers); and creating corporate structures that make facility operators (the actual providers of care) pay escalating rents and debt to another arm of the owner company. In the case of the care economy, because of deep government offsets for the costs of these necessary services, taxpayers end up footing the bill for debt-leveraged mergers and acquisitions through subsidies for operational costs” (p. 6). A private equity asset is held on average for just four to seven years before it is sold. These properties may even be sold to non-child care businesses and are thereby permanently lost from the ELCC system.

Even government entities can accept child care capital dollars, only to turn around and abandon them down the road. For example, in Markham, Town’s Little Children (TLC) Daycare was a purpose-built non-profit child care centre, developed in 1990 with \$500,000 in public child care funding in Markham Civic Centre and served Markham families for 25 years. Sadly, a snap decision by the City of Markham in 2015 to use the site for office space meant that TLC closed permanently, having not even been given enough notice to find a new space. Their playground was torn down and their classrooms rebuilt into offices, despite a child care shortage in the area and ample office space in the neighbourhood. These past mistakes must not be repeated as we build our new system, and policies must be put in place to safeguard our ELCC system and ensure its longevity.

Our vision

Goal: Enough public and non-profit early learning and child care spaces for all.

As Ontario has moved from unplanned growth to “directed growth”, the next step should be to realize intentional, planned, system building with the goal of full access to a stable, inclusive system.

In their paper, [*Moving from Private to Public Processes in Child Care in Canada*](#), Friendly et al. (2020) call for, “a more proactive, publicly managed, planned, intentional and integrated approach based on greater public responsibility for the availability, characteristics and distribution of regulated child care” (p. 2). This is grounded in, “the evidence-based supposition that more public responsibility for creating child care services would be more reliable and could more easily ‘steer’ access to child care services than can Canada’s current market approach. This would contribute to the accessibility element of building an inclusive, equitable child care system for all” (p. 39). The authors describe and list public management resources in the areas of planning, municipal role, public delivery, building critical mass in the non-profit sector, and assessing needs and forecasting demand. Our policy interventions are grounded in this same approach.

Ontario has yet to lean into one of the strongest assets that we have for a publicly managed, planned and intentional system - our unique system of local service system management by regions, municipalities, and districts. These local SSMs have a key role in the “steering” of child care and regularly develop child care service plans. Since the implementation of CWELCC, many SSMs have embraced the opportunity to better plan and coordinate the ELCC system, including collaboration with other regions, with city planners, and economic development tables. Some have demonstrated a growing interest in expanding directly-operated child care. SSMs should be mandated, better supported, and resourced to expand this planning role in consultation and collaboration with the ELCC community.

Recent calls from the Ontario government to allow unlimited for-profit expansion are completely unnecessary to meet access goals. All countries that have developed robust, universal systems have done so using public and non-profit expansion. Some, [like Norway](#), have now actively worked to decommodify child care by *deprivatizing* programs and bringing them under municipal operation. In these systems, regulations strictly limit excessive profit-making in child care. Predominantly public and non-profit expansion is an important pillar of CWELCC and we have seen that other provinces are successfully expanding ELCC in these sectors. We believe that not only is Ontario well positioned to act similarly, but that this approach would enable the province to better meet the needs of ELCC staff, children, and families.

Ontario should develop a bold plan for expansion that is exclusively in the public and non-profit sectors. We need a permanent moratorium on licensing new for-profit child care businesses. We also need to strengthen and expand both municipal planning and operation as well as provide more resources to better support the non-profit sector in scaling up and expanding. Both the Ontario and municipal governments should develop inventories of available public buildings and lands for the development of non-profit and public child care. Sufficient capital funding should support publicly planned expansion rather than ad-hoc grants. These measures to place Ontario’s child care system firmly in the public and non-profit sector not only ensure long-term sustainability of programs, but also contribute to an ethical system that does not seek to profit on the care of young children.

To build a stable system, we need to ensure that, wherever possible, facilities built using public child care funds remain public child care assets. Child care facilities that are built with public capital dollars must, wherever possible, be maintained as child care programs to grow a stable system. An asset lock - a legal clause that prevents an organization's assets from being used for private benefit - would ensure that new child care facilities created with public start-up grants and infrastructure funds remain child care facilities into the future.

Ontario should develop specific expansion plans to meet the needs of both rural families and those needing non-standard hours child care.

The Ontario Federation of Indigenous Friendship Centres (OFIFC) reports that at least 10,000 Urban Indigenous child care spaces are required to meet the needs of Urban Indigenous families. Yet there is no plan to expand Indigenous-led child care as part of CWELCC expansion strategies. This must change to

ensure that Indigenous families in Ontario have access to affordable, culturally safe, and relevant child care where they reside that is truly Indigenous-led and defined.

Recommended policy interventions

17. Place a permanent moratorium on licensing new for-profit child care.
18. Introduce an asset lock to require that all new child care facilities remain public child care assets to ensure efficient use of public child care dollars and a system that is here for many generations of children.
19. Create an inventory of available public lands for child care development. Mandate and support municipalities to publicly plan expansion with explicit targets for creation of new public and non-profit programs in both official languages. Strengthen and support the non-profit sector's capacity to scale up, ensuring new child care programs remain child care assets whenever possible.
20. Prioritize expansion in underserved communities and populations, including non-standard hours, rural and remote child care, home child care, emergency, and respite child care, in both official languages. Explore innovative infrastructure opportunities for expansion, like modular builds, and ensure inter-ministerial alignment to facilitate expansion in all public projects like community developments.
21. Establish technical tables and engagement avenues with First Nations, Inuit, Métis and Urban Indigenous governments, communities and organizations to co-develop a strategy to expand access to Indigenous-led child care where a majority of children reside that is self-determined by the Indigenous community.



Conclusion

While Ontario has made progress in implementing the Canada-Wide Early Learning and Child Care plan, significant challenges remain. Ontario has improved affordability and access to child care for many families, but issues like staffing shortages, stalled space creation, and inequities in school-age child care persist.

Most urgently, Ontario must sign onto a new bilateral agreement with the federal government, as the current agreement expires March 2026.

- **Call for Collaboration:** Both governments must commit to working collaboratively to achieve bold progress in system building, funding, affordability, workforce development, and expansion.
- **Need for System Building:** Transforming Ontario's patchwork of market-based child care services into a comprehensive, rights-based, publicly funded system requires better integration, legislative changes, and long-term planning.
- **Funding Issues:** While the cost-based funding formula has improved predictability, it is insufficient to cover the full costs of programs. The Province must harmonize funding streams, address wage inequities by introducing a provincial wage grid, and match contributions from the federal government.
- **Affordability:** The current fee subsidy system is outdated and intrusive. Ontario needs a low-barrier sliding fee scale down to \$0 to ensure child care is affordable for all families.
- **Workforce Challenges:** Modest wage increases have not resolved recruitment and retention issues. A wage grid, extended health benefits, pension plans, and improved working conditions are essential to support educators and stabilize the sector.
- **Expansion Strategy:** Ontario must prioritize public and non-profit expansion, place a moratorium on for-profit child care, and ensure new facilities remain public assets. Specific plans are needed to address underserved communities, rural families, francophone, and Indigenous-led child care.

Ontario needs collaboration between all levels of government, the child care sector, and community to achieve a publicly funded, inclusive, and rights-based child care system that values educators, supports families, and ensures access for all children. We are on the road together to universal child care.





The Ontario Coalition for Better Child Care (OCBCC) is Ontario’s leading non-partisan, member-driven alliance—bringing together parents, early childhood educators, centre directors, unionists and community advocates since 1981—to secure a universally accessible, high-quality, publicly funded child care system. Guided by evidence, democratic governance, and a commitment to equity and inclusion, OCBCC shapes policy through research-backed briefs, collaborative campaigns and strategic partnerships across levels of government. Together, we champion sustainable funding, workforce investment and culturally responsive care so that every child, family and educator in Ontario can thrive.

To learn more, visit childcareontario.org



The Association of Early Childhood Educators of Ontario (AECEO) has been the professional association for ECEs in Ontario since 1950. We advocate for respect, recognition, and appropriate wages & working conditions for *all* ECEs. Our mission is to build and support a strong collective voice for early childhood educators (ECEs) so they can participate in and influence positive change that benefits ECEs, children, families, and communities.

To learn more, visit aeceo.ca

