

November 17, 2021

Hon. Stephen Lecce
Minister of Education
5th Floor, 438 University Ave.
Toronto, Ontario, M5G 2K8

Hon. Karina Gould
Minister of Families, Children and Social Development
House of Commons
Ottawa, Ontario, Canada K1A 0A6

Re: Potential national child care deal with the Province of Ontario

Dear Minister Lecce,

The Ontario Municipal Social Services Association (OMSSA) is a non-profit association whose members are Ontario's Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs). Our members appreciate the strong and collaborative relationship we have with the Ministry of Education. Municipal service managers also appreciate the federal government making early years and child care a priority and stepping up with a commitment for new funding.

OMSSA members believe reaching a deal with the federal government on early years and child care is essential to Ontario's economic recovery. An inclusive recovery is needed to address the "shecession" and maximize participation in the labour market to fill vacant jobs addressing the current labour shortage. Currently the lack of access to early years and child care in many communities is a barrier for many to returning to work. Reducing child care costs for families will free up discretionary spending to support economic recovery provided that there are enough spaces to meet demand. Early years and child care that offers high quality programs and options for families leads to better outcomes, well-being and economic productivity in the future.

Many in the early years and child care sector have been waiting decades for a national child care plan. As we approach 2022, and work towards full reopening and economic recovery; the time is now to reach a fair deal for Ontario to expand and sustain the sector. It is important that the Canada-Ontario Early Years and Child Care agreements includes funding based on population, local circumstances, and with consideration of current costs. Ontario has the most expensive child care fees in Canada. Child care fees in the province are causing a cost of living crisis and families need support with these costs as a means of reducing the impacts of inflation.

Consideration must also be given to local flexibility, RECE recruitment and retention, access, expanded capacity, and sustaining the early years and child care sector still recovering from the



COVID-19 pandemic. Setting appropriate parent expectations will be key to the success of the agreement. OMSSA supports a strong role for local municipalities in early years and child care. We stand ready to partner with the province on the implementation of a national child care deal once negotiated.

OMSSA members look forward to working with our provincial and federal partners to improve affordability. The City of Toronto currently has an average monthly child care cost of \$1578. The median cost of licensed child care in Ontario in 2020 was above \$17,000 per year for infants, over \$14,000 for toddlers, and over \$12,000 for preschoolers. It will be a challenge in communities across Ontario to cut fees by 50% within a year and to \$10 per day within five years without adequate funding and commitment from all levels of government. Ongoing funding will also be required to sustain gains made over the course of the five-year agreement.

Ontario is a diverse province made up of urban, suburban, rural and Northern communities. CMSMs and DSSABs play an important service management role to ensure services are available in all Ontario communities. Municipal service system managers support expanding fee subsidies targeted towards low-income parents and reducing child poverty. Many parents receiving fee subsidies pay less than \$10 per day and would be unable to absorb additional costs. Any bilateral agreement should recognize equitable access for vulnerable families such as the working poor who struggle with poverty within the framework.

OMSSA members are also concerned with maintaining quality and sustaining the sector. A wage grid and workforce strategy is needed to support professional training and improve wages for RECEs who are leaving the sector and are difficult to recruit during the growing labour shortage. RECEs are vital to maintaining quality in the system. During the heart of the pandemic, many stepped up and provided emergency child care without recognition for their efforts or inclusion in the pandemic pay program. The success of a national child care program is dependent on a well trained, fairly compensated and diverse early learning and child care workforce.

Capital and operational funding is required to expand spaces, support more families, meet expected demand, and reduce wait lists. Funding should be given to community-based capital projects and home child care considered vital to rural and Northern communities. Supporting parents outside of 9-5 hours should also be included to recognize different needs of parents and to provide services when needed. Many work in the hospitality and tourism sector or work in manufacturing where shift work is more prevalent. Supporting children with special needs and providing inclusive culturally appropriate early years and child care programming is also a high priority for municipal service managers.

Collaboration between the Ministry of Education, municipalities, for-profit providers, the non-profit sector, community stakeholders, and local school boards is also required to meet local demand and achieve the desired outcomes of a national agreement. Municipal service managers require flexibility to meet local needs, improve access and expand children's services within Ontario. Efforts should also be made to reduce red tape and administrative burdens to avoid additional costs for local government.



Child care is vital to economic recovery but many providers have not fully recovered from the pandemic and many will no longer qualify for wage and commercial rent support from federal programs. In order to build a sustainable early years and child care system in Ontario, additional support must be provided to recruit and retain RECEs, support operators and expand overall capacity to ensure all families have access to children's services. Affordability targets are important but not at the expense of quality, sustainability, access or choice.

During the 2021 Federal Election, both the Prime Minister of Canada and Ontario Minister of Education said an early years and child care deal was close. We understand further meetings have occurred since the election. OMSSA encourages the Province and Federal government to quickly complete negotiations and enter into a national child care agreement that promotes affordability, economic recovery, access and sustainability of the overall early years and child care sector. Municipal service managers would like a seat at the table to provide further consultation on the details of such an agreement and work closely with our federal and provincial partners to implement the deal in local communities across Ontario. Success in Ontario will depend on all three levels of government working together.

OMSSA members who make up Ontario's 47 service system managers are excited about the potential for a national child care deal with the province of Ontario. As we plan municipal budgets and service delivery for 2022 and beyond, OMSSA encourages the Province of Ontario and Government of Canada to reach agreement on a national child care deal as soon as possible. It is encouraging to see the potential for once-in-a-generation federal investment to expand early years and child care in Ontario while improving affordability, quality, choice and access for Ontario families.

Sincerely,

President
Ontario Municipal Social Services Association (OMSSA)

Executive Director
Ontario Municipal Social Services Association (OMSSA)