



City of Hamilton Report for Consideration

To: Chair and Members
Emergency & Community Services Committee

Date: May 7, 2026

Report No: HSC26035

Subject/Title: Canada-Wide Early Learning and Child Care – 2026 Space and Funding Allocation Update

Ward(s) Affected: City Wide

Recommendations

- a) That the Ministry of Education funding for the City of Hamilton in the amount of \$2,899,359 to support the additional allocation of 333 Canada-wide Early Learning and Child Care (CWELCC) space targets by the December 31, 2026 deadline **BE ACCEPTED**.

- b) That the General Manager, Healthy and Safe Communities Department, or designate, **BE AUTHORIZED and DIRECTED** to negotiate, enter into, and execute, on behalf of the City, all documents, contracts and agreements including any amendments, extensions, ancillary or associated documents associated with this funding from the Ministry of Education, in a form satisfactory to the City Solicitor.

Key Facts

- On March 19, 2026, the Ministry of Education allocated additional Canada-Wide Early Learning and Child Care (CWELCC) space targets and funding to the City of Hamilton (see Appendix “A”).
- The City of Hamilton received 333 additional Canada-Wide Early Learning and Child Care spaces and \$2,899,359 in Canada-Wide Early Learning and Child Care funding. All space targets and funding must be allocated, with the new spaces fully operational, by the December 31, 2026 Ministry deadline.
- To meet the December 31, 2026 Ministry deadline, it is critical that spaces and funding are prioritized for eligible centres who are best positioned to being fully open and operational in 2026.
- The demand for accessible, affordable, high quality child care in Hamilton continues to exceed available spaces, and the City of Hamilton remains committed to increasing access in alignment with our access and inclusion goals.
- By the end of 2026, 1,743 new licensed child care spaces for children ages 0 to 5 years will have been created in Hamilton since 2022. These spaces will support the City in reaching the final Ministry target of 14,159 child care spaces.

Financial Considerations

The City of Hamilton received a total of \$2,899,359 in additional funding from the Ministry of Education to be allocated by December 31, 2026 as follows:

- \$2,034,202 for operating dollars;
- \$23,722 for administration costs; and
- \$841,435 in Early Learning and Child Care (ELCC) Infrastructure funding.

Early Learning and Child Care funding is specific to community-based, centre-based, not-for-profit, licensed spaces and supports additional infrastructure costs, including planning and design stage expenditures and the purchase of land or buildings.

There are no impacts to staffing or any additional municipal funding required as a result of these changes.

Background

On March 28, 2022, the Province of Ontario signed the Canada-Wide Early Learning and Child Care (CWELCC) agreement with the federal government. The goal of this initiative is to ensure more families across Ontario have access to safe, affordable and high-quality child care.

Throughout 2022-2025, the City of Hamilton managed all growth for licensees looking to open a new child care centre in Canada-Wide Early Learning and Child Care, or opt in with an existing centre, through the City's Directed Growth Application process. This process was directed by the Canada-Wide Early Learning and Child Care space targets set by the Ministry of Education.

On October 9, 2025, City staff provided a Council Communication Update to advise that Hamilton had approved all of the Ministry allocated Canada-Wide Early Learning and Child Care child care spaces and funding until the end of 2026.

In November 2025, the provincial and federal governments negotiated a one-year extension of the Canada-Ontario Canada-Wide Early Learning and Child Care agreement. The extension secured \$695M in additional funding to maintain the current system through the end of 2026, allowing the provincial and federal governments to work on a longer-term agreement. The Early Learning and Child Care (ELCC) Infrastructure Fund agreement was also extended until December 2026 (previously slated to end on March 31, 2026), securing \$66.8M in federal funding for 2026.

In December 2025, the Ministry of Education required all municipalities to complete a series of Canada-Wide Early Learning and Child Care reports outlining how space targets had been met.

On March 19, 2026, the Ministry of Education advised that following a second Ministry recalibration exercise, space and funding allocations were revised based on the December 2025 reporting. The City of Hamilton received 333 additional Canada-Wide Early Learning and Child Care spaces as a result of this recalibration exercise. To support the additional space targets, Hamilton also received a total of \$2,899,359 in additional funding.

The new spaces and funding are a positive step forward for Hamilton, but timelines remain the same. All Canada-Wide Early Learning and Child Care space targets and funding must be allocated, with the new spaces fully operational, by the December 31, 2026 Ministry deadline. There is no information about Canada-Wide Early Learning and Child Care beyond 2026.

Since 2022, Hamilton families have benefited from the following Canada-Wide Early Learning and Child Care outcomes:

- Reduced fees for child care spaces to \$22 per day for children ages 0 to 5 years, generating an average annual savings of \$10,640 per child.
- Increased systemwide access to full-time child care spaces, from 30 per cent to 36 per cent. We remain committed to reaching the Ministry's target access rate of 37 per cent.
- 1,743 new licensed child care spaces for children ages 0 to 5 years will have been created by the end of 2026. These spaces will support the City in reaching the final Ministry target of 14,159 child care spaces.

Analysis

The priority remains maximizing affordable, accessible, equitable and high-quality child care spaces for families in Hamilton. To meet the December 31, 2026 Ministry deadline, it is critical that spaces and funding are prioritized for eligible centres who are best positioned to being fully open and operational in 2026.

As City staff plan for next steps, key considerations include timeline feasibility, wards with lower access rates to child care, and aligning with the Ministry of Education's auspice ratios (i.e. balancing child care centres operating not-for-profit and for profit).

First consideration will be given to operators who are already open and operating, and/or who have previously applied through the City's Directed Growth Application process but due to limited spaces, could not be approved.

While there is no additional information about Canada-Wide Early Learning and Child Care spaces and funding beyond 2026, the City will continue to advocate for additional funding and spaces to support continued growth for families in our community.

Alternatives

Not Applicable

Relationship to Council Strategic Priorities

Sustainable Economic & Ecological Development

Affordable, high quality child care is an economic driver supporting families to work or attend school. Access to affordable, high-quality child care has been shown to increase labour market participation, especially for women.

Safe & Thriving Neighbourhoods – Providing affordable, accessible, high- quality child care in neighbourhoods where families live creates a sense of community where children can thrive developmentally and successfully transition to school.

Previous Reports Submitted

[HSC24025\(b\) - Canada-Wide Early Learning and Child Care – 2025 and 2026 Child Care Space Allocation update and 2025 Funding Changes \(May 22 2025\)](#)

Consultation

- Manager, Business Supports, Children’s and Community Services, Healthy & Safe Communities
- Manager, Finance and Administration, Finance, Corporate Services
- Business Administrator, Finance, Corporate Services
- Solicitor, Legal Services, Corporate Services

Appendices and Schedules Attached

Appendix A Updates to 2026 Ontario Child Care and Early Years Funding

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**Submitted and
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