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FEDERAL \$10-A-DAY CHILD CARE PROGRAM LIKELY TO CONTINUE PRODUCING MIXED RESULTS For Immediate Release

November 30, 2023—Third Reading passage of Bill C-35 (the Canada Early Years and Child Care Act) means that funding for the federal government's \$10-a-day child care program will continue beyond when the current federal-provincial funding Agreements expire in 2026. But there is no guarantee of service improvements for families.

So far, the program is having only mixed results. Many licensed centres are not operating at full capacity, because of a nationwide shortage of Early Childhood Educators. Less than a third of Canadian families with children under the age of five can actually access the program. The rest are on waitlists, are paying the full fee for licensed care, or are using other forms of care, such as care by a parent or relative, or by an independent home-based provider.

"None of this is going to change anytime soon," says Andrea Hannen, Executive Director of the Association of Day Care Operators of Ontario (ADCO), which represents independent licensed child care centres (both commercial and not-for-profit) across Ontario. "No amendments were made to the Bill at the Senate committee stage that will substantially address these challenges and it's not just a question of pumping more money into the program."

"It's important to understand that this Bill really wasn't about bringing families cost relief right when they need it most or even about how to rapidly expand access to licensed care," says Hannen. "It was more about setting a trajectory that would fundamentally alter Canada's economy over the longer term. The framers of the program seem to have a strong preference for building a government-run child care system, even it means parents with young children have to work more hours so that they can pay higher taxes to cover the costs. The assumption seems to be that all children are better off in government-managed institutionalized care and that all parents can and should be employed full-time."

"Granted, there are some families who have benefitted from the program's roll-out. If you had a licensed child care space and were paying for it beforehand, you're now paying less," says Hannen. "But there are many, many more families who are now facing higher inflation and higher interest rates because of high levels of federal spending, who aren't benefiting from the \$10-a-day child care program and probably never will." There was little public consultation on the Bill notes Hannen. "The practical issues should have been given more attention, but more importantly, there needs to be a national conversation about how Canadians envision family life moving forward."

Hannen suggests that greater flexibility than what the current Agreements provide would allow the Provinces to build on the elements of their own child care systems that have long been working well for families. "Fast-growing provinces like Ontario need to be able to expand the number of licensed child care centres and shouldn't have to exclude those run as small businesses. They may also need the option of providing additional direct supports for families who prefer other arrangements. Provinces shouldn't have to substitute the federal government's vision for their own and risk losing what works in order to access transfer payments for child care."

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ADCO is the industry association for Ontario's independent licensed child care centres, both commercial and not-for-profit. Independent licensed child care centres are those that are not run by public sector entities such as municipalities or school boards, or by large multi-service agencies such as YMCAs. Most are small businesses, owned and operated by women. For further information, please contact: the Association of Day Care Operators of Ontario (ADCO) at admin@adco-o.on.ca or Andrea Hannen at 1-800-567-7075.