



1-188 Bunting Road
St. Catharines, ON L2M 3Y1
1.800.567.7075
admin@adco-o.on.ca

EXTENSION OF FEDERAL CHILD CARE FUNDING A POSITIVE STEP, BUT PROGRAM REFORM IS NEEDED

For Immediate Release

September 29, 2026— Earlier today, the governments of Canada and Ontario announced an extension to the Canada-Wide Early Learning and Child Care program (CWELCC). The funding announced today will allow parent fees at Ontario child care centres covered by the federal program to remain at current levels through to June of 2027, the end of the current school year. “For the families with children in the targeted age group who have been fortunate enough to secure a CWELCC space, today’s announcement is great news and a welcome relief,” says Andrea Hannen, Executive Director of the Association of Day Care Operators of Ontario (ADCO), the country’s most established child care operators’ association. “The announcement also means continued federal support for the 47 municipal child care bureaucracies involved in administering the federal funds,” says Hannen. “What was missing was any suggestion of the kinds of reforms that are needed to encourage child care operators to create new spaces.”

“The reality is that the federal program has been designed to limit private sector participation—both commercial and independent not-for-profit—in child care expansion,” says Hannen. “It does this by tightly controlling the incomes and expenditures of licensees and imposing such burdensome reporting requirements that in many cases, there is barely enough money to keep a centre’s doors open, let alone expand. If these issues aren’t addressed, it is unlikely that Ontario will be able to meet its space creation targets, even with the funding extension announced today.”

When Ontario signed onto the CWELCC program in 2022, it committed to creating 86,000 new spaces, but so far that number has only hit about 60,000. Through various announcements, the Province has committed to opening roughly 1,100 new school-based child care spaces this year. Presuming that number will hold steady or increase somewhat in 2027, there’s still a shortfall of over 20,000 new spaces. “Ontario’s independent licensed child care centres could help make a much bigger dent in that number. The big constraint is really the outdated and flawed design of the federal program,” says Hannen.

In a [recent brief](#) submitted as part of the federal government’s pre-budget consultation process, ADCO called upon the federal government to conduct a comprehensive and transparent public consultation process to guide the CWELCC’s reform. ADCO also asked for some short-term funding for both CWELCC and non-CWELCC centres to help address financial shortfalls caused by the current Canada/US trade dispute. ADCO also suggested that some time-limited child care fee assistance be made available for families impacted by tariff-related lay-offs, so that reduced household incomes don’t force them to pull their children out of care. “Child care definitely plays an important role in supporting Canada’s economic growth. We tried to offer the federal government some options for stabilizing the child care sector in their near-term and making the federal child care program more sustainable over time.”

-30-

Established in 1981, 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 1-877-685-4288, ext. 1.