

**Ministry of Education**

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March 27, 2018

Dear colleagues and partners,

It is a busy and exciting time for early years and child care in Ontario. With your help, a great deal has been achieved and there is much more on the horizon.

I want to thank you for your dedication and valuable input over the past few years in our work to transform the system. As we move forward with our ambitious plan, I will continue to rely on your expertise and continued partnership as we build a system that supports more Ontario families and provides children with healthy learning environments.

First, I want to reflect on how far we have already come together. As you know, in 2016 our government made a commitment to provide 100,000 more children aged 0-4 with access to high-quality, licensed child care. We got started right away by promising to support access for 24,000 more children in the first year of our commitment. However, I am pleased to share with you that we have exceeded this commitment by providing access for over 31,000 more children! This important accomplishment was achieved through the allocation of fee subsidy funding and the announcement of new capital spaces.

In addition, we introduced the Renewed Early Years and Child Care Policy Framework, our blueprint to strengthen Ontario's early years and child care system.

Now underway, our early years partners are doing a fantastic job of executing the transition to **EarlyON Child and Family Centres/Centres pour l'enfant et la famille ON y va**, as we integrate Ontario's four child and family programs into a cohesive system of services and supports for children aged 0-6 and their families.

In addition, as part of *The Journey Together: Ontario's Commitment to Reconciliation with Indigenous Peoples*, we have been working with Indigenous-led organizations and municipal partners to increase the number of culturally relevant child care spaces as well as child and family programs. We have also expanded and created new child and family programs in over 40 First Nations across the province.

We have achieved a lot together, and our work is far from over. Our 2018 Budget will lay out a long-term plan to transform the way we deliver child care in Ontario, supported by an investment of \$2.2 billion over the next three years. This will help us to achieve our shared vision of a high quality, seamless and accessible child care and early years system.

### Free Child Care for Preschoolers

In order to meet our commitment to making child care more accessible to families, we are taking the historic step of implementing free child care for children 2.5 to 4 years of age, beginning in September 2020. This means that all preschool-aged children in the licensed child care system will receive high-quality care at no cost. To support this investment in our children's futures, we will further increase capital investments to create 14,000 more child care spaces across the province. This is in addition to our previously announced \$1.6 billion capital investment as part of our commitment to provide 100,000 more children with access to licensed child care. The investment positions Ontario as the first province in Canada to offer free child care for preschoolers.

### Increased Operating Funding

We know that far too many families in Ontario find child care unaffordable. This is particularly true for parents with infants and toddlers. To support affordability for all young families accessing licensed child care, Ontario will increase operating funding across the system. Beginning in January 2019, we will provide an additional \$160 million in funding over three years through the general operating grant to increase access to licensed child care, support fee reductions and/or eliminate fee subsidy waitlists. These investments will help make child care for infants, toddlers and school-aged children more affordable.

We're also providing an additional \$90 million in 2018-19, and ongoing, to support continued expansion. This includes:

- \$53 million to create at least 4,200 fee subsidies; and
- \$26 million to establish base funding for home child care agencies to create more home child care spaces (approx. 800).

Licensed home child care plays an important part in Ontario's child care and early years system. Base funding for home child care agencies will provide families with more high-quality licensed child care options in communities across Ontario.

## Workforce

In 2016-17, we held province-wide consultations to engage families, ECEs, child care providers and other experts on the key issues facing our early years and child care sector. Experts like you told us that Ontario needs to do more to support our world-class early childhood educators and professionals. We also heard that a strong early years and child care system requires a strong workforce. We agree. And we are responding. Beginning in April 2020 the government will implement a wage grid for program staff working with children in licensed child centres, licensed home child care agencies and EarlyON centres. As of April 2020, the current wage enhancement grant will be eliminated. The new wage grid will align with the current grid for ECEs working in Full-Day Kindergarten (FDK) for the 2020-21 school year and beginning in the spring of 2018, we will work with our partners in the sector on the specifics of wage grid and implementation. This will help address low levels of compensation, support recruitment and retention, and facilitate early years and child care expansion without sacrificing quality. We will also release a Workforce Strategy to support growing the profession of early childhood educators and professionals that also recognizes the impact of the early years on our children's development.

## Journey Together

We also heard that Indigenous community leaders need more support to develop and expand culturally relevant, high-quality child care programming on reserve. Building on our commitments under the *Journey Together* action plan, Ontario is moving forward with a five year plan to expand new and existing licensed child care programs in First Nations communities. Starting in 2018-19, this will include:

- Providing dedicated funding to support First Nations partners planning capacity starting in 2018-19;
- Implementing a new funding approach to stabilize existing child care programs starting in 2018-19;
- Working with First Nations to develop and implement plans for expansion in communities with existing child care programs on reserve, and to make child care available in more First Nations communities, starting in 2018-19; and
- \$290 million in capital funding over six years to build new, or retrofit existing, child care facilities on reserve, and ongoing operating funding for new and expanded child care programs.

The government will work closely with First Nations organizations and communities, so that together we can create a high-quality, affordable, and culturally relevant early years and child care system for First Nations children and families.

## Innovation Fund

Throughout our engagement on the Renewed Framework we heard many innovative ideas from our partners on ways to increase access to high-quality early years and child care services and programs. We are committed to making these ideas work. That is why the 2018 Budget will reinforce our commitment to launch an Early Years and Child Care Innovation Fund.

The Innovation Fund will provide \$30 million over two years to fund projects that propose innovative solutions to complex issues, and encourage growth in unique and inventive ways. The first call for applications is expected to launch in fall 2018, with project selection in spring 2019.

Moving forward, we will continue to build on our shared goals and work closely with all of you to implement our vision for an accessible, affordable, high-quality and responsive early years and child care system.

Thank you, once again, for your passion and dedication. I am proud of the work we are doing together and I look forward to our continued efforts to ensure that Ontario children have the best possible early years experiences.

Sincerely,

A handwritten signature in black ink, reading "Indira Naidoo-Harris". The signature is written in a cursive, flowing style.

Indira Naidoo-Harris  
Minister of Education  
Minister Responsible for Early Years and Child Care