



BOARD REPORT

REPORT No.: 2025-30

MEETING DATE: SEPTEMBER 18, 2025

SUBJECT: CHILD CARE FEE SUBSIDY RATES 2026

RECOMMENDATION

THAT with respect to Report No. 2025-30 (Integrated Social Services Division), The District of Thunder Bay Social Services Administration Board, approve the maximum school age child care rates for fee subsidy recipients, effective January 1, 2026, as presented.

REPORT SUMMARY

To provide The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board) with information and rationale for determining the maximum school age child care rates for fee subsidy recipients for the 2025 budget year.

BACKGROUND

Fee subsidy is income tested financial assistance provided toward the cost of child care for parents or legal guardians of children between birth and 12 years of age.

Historically, child care operators determined their daily child care rates based on their own internal business model, with TBDSSAB establishing the maximum daily rates upon which it will provide fee subsidy for eligible families.

With the implementation of the Canada Wide Early Learning Child Care (CWELCC) Program, child care fees for birth to age 6 categories were frozen by the province as of March 27, 2022.

The Ministry of Education (Ministry) has taken a phased approach to the CWELCC System, with the goal of reaching an average parent fee of \$10 a day by 2025-26 for licensed child care spaces. This will involve several steps to reduce current fees to this target level.

The first step was providing a 25% fee reduction for families, beginning April 1, 2022, then building to a 50% reduction in average parent costs (based on March 27, 2022, levels) for licensed child care by the end of the calendar year 2022.

Under the CWELCC program New Child Care Funding Approach, as of January 1, 2025, the Ministry has moved to a fixed rate of \$22 per day for all age categories except for school age children from 6-12 years of age.

COMMENTS

The following chart outlines the 2025 actual rates and the proposed 2026 rates for school age child care. Administration is proposing that school age rates be increased using the prior year (2025) Ontario Consumer Price Index (CPI) of 1.7% rounded to the nearest full dollar. The CPI has been used in prior years to guide the increase in maximum child care per diem rates. This results in a proposed \$1 per day increase for school age rates for 2026.

TBDSSAB Maximum Child Care Rates

| Age Category | 2025 | 2026 | Increase |
|--------------|------|------|----------|
| School Age | \$42 | \$43 | 1.7% |

STRATEGIC PLAN IMPACT

This report relates to the Board's strategic direction of promoting organizational excellence through Financial Stewardship, with a focus on engaging community partners in maximizing integrity across the service system. Further, this initiative addresses stabilizing supports and services in the Early Years and Child Care sector.

FINANCIAL IMPLICATIONS

Administration estimates the financial impact of increasing the maximum daily rates for school age spaces will result in approximately \$495 more fee subsidy being provided to child care operators on behalf of eligible families.



If approved, this amount will be included in the 2026 operating budget to be submitted to the Board.

CONCLUSION

It is concluded that the proposed maximum school age child care rates for fee subsidy recipients, effective January 1, 2026, be approved as presented.

REFERENCE MATERIALS

None.

| | |
|---------------|--|
| PREPARED BY: | Dawnette Hoard, Manager, Child Care and Early Years Michelle Wojciechowski, Manager, Intake & Eligibility |
| SIGNATURE |  |
| APPROVED BY | Crystal Simeoni, Director, Integrated Social Services Division |
| SIGNATURE |  |
| SUBMITTED BY: | Ken Ranta, Chief Executive Officer |