

# Child Care and Early Years Update 2025

Canada-Wide Early Learning Child Care Agreement (CWELCC) Update

#### Prepared by:

The District of Thunder Bay Social Services Administration Board

Growth Plan, September 2025

### Introduction

In March of 2022, the Government of Ontario entered into a Canada-Wide Early Learning and Child Care Agreement (CWELCC) and signed a historic \$13.2 billion dollar agreement with the Government of Canada to provide a more affordable reduced daily child care rate for families. Through this agreement, the goal is to provide families with more affordable, accessible, inclusive, and high-quality child care options for children under the age of six, while also supporting the child care workforce. As of January 1, 2025, the average fee was reduced to \$22/per day or less for children five years or younger who are enrolled in a licensed child care or home child care provider.

The CWELCC agreement is built around five key pillars:

- 1) Lower fees
- 2) Increasing access
- 3) Enhancing High-Quality Child Care
- 4) Supporting Inclusion
- 5) Enhancing data and reporting.

Under the CWELCC agreement, Ontario plans to create 86,000 new CWELCC licensed child care spaces for children aged 0-5 by the end of 2026 through a targeted growth strategy. Introduced by the Ministry of Education in 2023, this strategy follows Ontario's Access and Inclusion Framework, 2023, which guides expansion planning for priority communities. Each service system manager (SSM) received a targeted number of spaces to expand affordable child care within both schools and community settings in 2022. In March of 2025, a recalibration of spaces occurred based on data received in October of 2024. Due to this recalibration of spaces, an update to the Direct Growth Plan was required to provide a vision for access to CWELCC spaces across the province ensuring community needs were a priority.

The Ministry of Education's funding allocation model focuses on improving equity of access, with the goal of achieving a common provincial access ratio of 37%. This ratio refers to the number of licensed child care spaces available for children aged 0-5 in proportion to the number of children living in the province.

The District of Thunder Bay Social Services Administration Board (TBDSSAB) is responsible for planning, overseeing, and managing licensed child care and early years programs and services within the District of Thunder Bay. This includes directing CWELCC-funded child care growth. Currently under the recalibration of CWELCC spaces, TBDSSAB has received more spaces than originally allocated. This has

prompted new opportunities for partnerships within the community to ensure TBDSSAB is prioritizing the creation of high-quality licensed child care spaces based on community need. The updated directed growth plan which outlines the strategy for expanding CWELCC spaces, is a component of the overall Child Care and Early Years Five Year Service Plan 2023-2028.

All licensed or potential licensed child care service providers serving children under six years of age are eligible to apply to TBDSSAB for enrolment in the CWELCC system. Upon approval, licensed child care service providers will enter into a service agreement with TBDSSAB.

Eligibility criteria as outlined in the *Child Care and Early Years Act, 2014 O. Reg. 236/22* is as follows:

- Licensed and demonstrate financial viability based on financial reports
- Premises is zoned appropriately at the time of application
- Identified as a priority neighborhood
- Comply with the legislation as set out in the *Child Care and Early Years Act,* 2024 and its regulations as set by the Ministry of Education.

## Access and Inclusion

Ontario's vision for the CWELCC system is that more families in Ontario have access to high-quality, affordable, flexible, and inclusive early learning and child care no matter where they live.

Under the CWELCC Agreement, Ontario will support the creation of 86,000 new CWELCC licensed child care spaces by the end of 2026.

To ensure that access to affordable child care aligns with the principles outlined by the Ministry, service system managers will play a role in directing where this growth occurs. The Ministry will provide each service system manager with growth targets and allocations for their region and in turn, will be required to incorporate these targets in their local service plans.

# **Directed Growth Planning**



As child care continues to become more affordable through the implementation of CWELCC (to an average of \$10 by 2026), the demand for care continues to rise and is expected to keep growing. To meet this increasing demand for licensed child care, the Ministry has set a target for the District of Thunder Bay to create up to 196 new CWELCC spaces by December 2026 (see Table 1).

**Table 1:** District of Thunder Bay CWELCC Direct Growth Allocations as of March 2025

Type of Space	Space Allocation by Year				
	2024	Completed	2025	2026	Total
School-based	0	0	78	0	78
Community-based	53	0	18	47	0
Total Spaces	53	53	96	47	196

Table 2: Licensed Child Care spaces by age group as of July 2025

Age Group	Licensed Spaces- Ages 0-12		
Infant	115		
Toddler	315		
Preschool	698		
Family Age Group	91		
Kindergarten	526		
School Age	1262		
Total Spaces	3007		

The current child care supply is a key consideration in planning for growth. The directed growth plan is focused on increasing child care services in the district for children who are not yet eligible for school. While TBDSSAB acknowledges the demand for child care for school-aged children, especially on non-instructional days and for before- and after-school programs, the immediate priority is on children aged 0-4. This strategy aims to support early learning and development during these critical formative years, while also enabling families to participate in the workforce, education, and training programs.

Additionally, the primary goal is to expand capacity within the existing centre-based child care system, as well our licensed home child care system. By creating new centre-based spaces, we can build upon existing infrastructure and policy frameworks to address growing child care waitlists.

#### **Waitlists for Child Care**

Waitlists for child care have grown significantly since the introduction of reduced parent fees through the CWELCC program in 2022. Interest in child care increased further when rates were reduced again in January 2025 to \$22/day or less. Currently all child care operators have waitlists across all age groups, with most families seeking full-time care.

In addition to increased affordability, a shortage of child care staff, particularly Registered Early Childhood Educators (RECEs), is also contributing to the long waitlists. The well-known shortage of early years professionals in Ontario is being felt in Thunder Bay as well as in the district. Some child care centres are operating below their licensed capacity due to a lack of qualified staff. To support expansion efforts, the district needs to grow its child care workforce.

## **Priority Neighborhoods**

The plan focuses on expanding access to child care, ensuring that children of all abilities and socioeconomic backgrounds can actively and meaningfully participate in early learning alongside their peers. The Ministry of Education's Access and Inclusion Framework, 2023 outlines expectations for improving child care access across Ontario, emphasizing the need to identify priority neighborhoods and communities for expansion. This approach aims to better support a diverse range of families, including those with low incomes, Indigenous and Francophone families, children with exceptional needs, as well as children from diverse and newcomer communities.

## **Moving Forward**

#### Consultation

To support ongoing child care expansion plans, TBDSSAB will continue to engage with the community to ensure input from a broad range of key stakeholders, including through our Child Care and Early Years Advisory Table. The creation of new centre-based spaces will prioritize underserved communities where licensed child care waitlists persist, even after all existing spaces are filled.

#### **Child Care Workforce**

Currently, the TBDSSAB workforce strategy includes bursaries for domestic first and second year students enrolled in the Early Childhood Education (ECE) program at Confederation College. Additionally, in partnership with the college ECE faculty, TBDSSAB has created a Fast Track Early Childhood Education program. This program is based on an application process which includes prior learning assessments and is designed for educators working in child care to continue to work while attaining their qualifications as a Registered (ECE). These initiatives promote the profession, support the importance of qualified staff, and ensure we can reach licensed capacities alongside continuing to recognize and support high-quality programs for all children and families.

TBDSSAB will also continue to work closely with local child care operators and community partners to encourage growth in the child care workforce and stabilize existing programs. Quality child care, supported by qualified early years professionals, is essential for child development, the economy, and community and family well-being. A strong early year's workforce is critical to expanding the child care and early learning system.

## **Operator Application**

To create an equitable process for growth through existing child care operators, TBDSSAB is implementing a formal application process. Operators looking to expand must be enrolled in CWELCC (and remain enrolled for the duration of the CWELCC agreement) and demonstrate alignment with TBDSSAB's growth plan. Before proceeding with any project and completing an application, current service providers or prospective operators are encouraged to send an expression of interest to and consult

with TBDSSAB to ensure that the planned expansion aligns with the directed growth plan.

The Ministry of Education mandates that SSMs follow specific ratios for not-for-profit and for-profit licensed spaces for children aged 0 to 5. Currently 90% of licensed spaces within the TBDSSAB service area are not-for-profit and remain aligned with the Ministry auspice ratios are a key consideration when selecting operators for expansion.



# For More Information

The directed growth plan addendum is updated annually, or as required, to reflect the most current data and the dynamic nature of child care expansion within the district. The current

version of the plan is available on the TBDSSAB website (www.tbdssab.ca).