

Trudeau and Ford to sign \$10-a-day child care deal Monday ^[1]

Canada will have a national child-care program for the first time in history when Prime Minister Justin Trudeau and Premier Doug Ford sign the accord Monday in the Greater Toronto Area.

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EXCERPTS

It's a deal.

Canada will have a national child-care program for the first time in history when Prime Minister Justin Trudeau and Premier Doug Ford sign the accord Monday in the Greater Toronto Area.

Ontario was the last province or territory to agree to Ottawa's plan over concerns about long-term funding.

As first reported by the Star last week, Ford has finally bought in to the five-year \$10.2 billion arrangement that will slash child care fees in half by the end of December.

That's because he received assurances from Trudeau and from Finance Minister Chrystia Freeland of a looming infrastructure program — likely unveiled in her federal budget — to bankroll thousands of new child care spaces.

"We've worked very well together with the federal government, and we will announce it very shortly," Ford told reporters Sunday in Toronto at the groundbreaking ceremony for the Ontario Line subway.

"But as I mentioned, \$10.2 billion over five doesn't give us the \$10 a day daycare, but stay tuned," he said.

"We have a great deal with the federal government ... they have been phenomenal partners as they always have been and we look forward to the announcement."

On Friday, the Star revealed Ottawa is looking at spending hundreds of millions more to create additional child-care spaces.

The cash would be provided under a separate infrastructure fund and offered to all provinces based on their share of the population under age 12.

It was considered "a game changer" by those close to Ford.

"If (the premier) had signed on two months ago that money wouldn't be there," said an official, who spoke confidentially in order to discuss internal deliberations.

"Now that's separate from the child-care deal so Ottawa can still say it's \$10.2 billion (for Ontario)," the insider said.

Even though it is separate from the child care funding program, Ontario's 38 per cent share of the infrastructure money and assurances of an ongoing federal funding commitment after the five-year deal expires were enough to seal the deal.

Freeland has committed \$9.2 billion annually for child care after the deal is up in 2026 if provinces want to renew the arrangement.

"That means at a minimum \$2.9 billion (a year) for Ontario going forward, which makes the program sustainable," said a second senior provincial official, who was not authorized to speak publicly.

"We were very concerned that once the five years is up, Ottawa would walk away leaving us to fund a major social program as they have done with health care," said the official, noting the federal government currently pays just 22 per cent of health costs with provinces covering the rest.

Federal officials insist those terms were already announced in Freeland's budget last year, but the province said it needed more guarantees.

With an Ontario election set for June 2 — and both NDP Leader Andrea Horwath and Liberal Leader Steven Del Duca pressuring Ford to sign — the Progressive Conservatives were eager to sign.

"This will cut child-care fees in half in the first year and get us to \$10-a-day in year four," a source said last week.

“It means real \$10-a-day child care is attainable and sustainable for the long term.”

The two sides have negotiated an agreement to set up an early review to determine how well the program is working as of the third year, which “means the feds will have to stay engaged and can’t just wash their hands after the five years are up and leave the province footing the bill,” the source said.

A federal source, who was also not authorized to speak publicly, said later this year there would be retroactive payments for parents who are still paying higher fees.

Freeland has said the national program could add 240,000 workers to the labour force and raise real GDP by as much as 1.2 per cent over the next two decades.

Region: Ontario ^[3]

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