

What does Canada's \$10 child care program mean for you? ^[1]

Ontario and the federal government have agreed to a child care deal worth \$13.2 billion over six years to help families with young children in daycare.

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EXCERPTS

Ontario – the lone holdout after every other province and territory in Canada had signed on – has finally agreed to a deal with the federal government over child care fees.

Prime Minister Justin Trudeau along with Ontario Premier Doug Ford made the announcement on Monday during a news conference in Brampton.

The multi-year agreement will be available to families across the country, and aims to make \$10 a day child a reality by 2025.

So what can families in Ontario expect from this agreement?

Here's what we know so far.

When will child care cost \$10-a-day?

Child care costs at participating licensed daycares will be cut by up to 25 per cent in the coming weeks, to a minimum of \$12 per day, retroactive to April 1, 2022.

Starting in December, parents will see another reduction in fees, cutting their costs in half by the end of the year, said the province.

Officials report families currently pay on average \$46 a day for child care in Ontario.

Trudeau says Ontario families and families across the country should expect to save an average of about \$6,000 a year.

Starting in May, Ontario will provide refunds retroactive to April 1.

Further child care cost reductions will take place in 2024, says the province, with hopes to reach the \$10 a day child care goal by September 2025.

What can Ontarians expect?

Ontario will create 86,000 new daycare spaces by the end of 2026, the province says, starting immediately. It includes the more than 15,000 licensed child care spaces that have been created since 2019.

"Without child care, the economy does not function," said Karina Gould, the minister of families, children and social development, acknowledging that the deal was the result of years of advocacy by child care advocates and the women's movement for "over 50 years."

The agreement with the federal government also supports the hiring of new early childhood educators, and promises support and compensation for staff currently working in licensed child care for children between the ages of six and 12.

Who qualifies for the new child care program?

The new national program will only be available to families with children five and younger in licensed child care centres.

Ontario will work with municipalities to help the more than 5,000 licensed and in-home facilities enrol in the new program between now and September. Rebates for parents will begin in May once licensed centres and agencies have enrolled in the new system.

Families can continue applying for Ontario's child care tax credit program on their income tax return. This tax credit helps subsidize families with an income \$150,000 or less with children in licensed and unlicensed child care centres.

How much will the deal cost?

Ottawa has promised to fork out \$13.2 billion over the next six years, \$3 billion more than the initial five-year proposal.

Ontario is home to about 38 per cent of the country's child care-aged population, with nearly 860,000 children ages five and younger and

nearly two million children ages 12 and under, the province says.

It is unclear if there will be reductions offered to parents of children older than five who are currently enrolled in licenced daycares in the Ontario and paying out of pocket for those costs.

Region: Ontario ^[3]

Tags: Canada-wide agreement ^[4]

universal child care ^[5]

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