

Ontario parents to get rebates in May under child-care deal^[1]

Author: The Canadian Press

Source: Recorder & Times

Format: Article

Publication Date: 28 Mar 2022

AVAILABILITY

Access online^[2]

EXCERPTS

BRAMPTON, Ont. — Ontario parents of children aged five and under in child care will start getting rebates in May as part of a \$10.2-billion deal the province has signed with the federal government.

The rebates, retroactive to April 1, will be for a fee reduction of up to 25 per cent and are set to land in the middle of Ontario's election campaign.

Premier Doug Ford and Prime Minister Justin Trudeau officially announced the deal in Brampton, Ont., Monday, making Ontario the final province to sign on to the federal government's plan to bring child-care fees down to an average of \$10 a day across the country by the end of 2026.

"I know Ontario parents have been wondering for a while when this was going to happen," Trudeau said. "Well, we worked hard to get this deal done because you deserve affordable child care like all Canadian parents."

Parents are set to see a further cost reduction in December, when fees will be reduced — on average — by 50 per cent, with further cuts slated for September 2024 to bring Ontario to an average of \$10 a day by the following September.

Trudeau said the fee cuts would amount to an average savings per child of about \$6,000 a year by the end of 2022.

"This is real money that will stay in the pockets of families this year to help with everything else," he said.

Ford, who will begin a provincial election campaign in a few weeks, framed the deal as one of several ways his Progressive Conservative government is saving people money, referencing other measures such as rebates on licence plate renewal fees.

"It's a great deal for Ontario parents and the right deal for Ontarians," he said. "It's a deal that provides flexibility in how we allocate federal funding, flexibility that is critical for making this deal work for Ontario."

The five-year child-care program was to include \$1 billion for Ontario in Year 1, which is 2021-22. Since that fiscal year ends in four days, the federal government is allowing them more flexibility to push most of that spending into future years.

Ontario had wanted more certainty beyond the life of the original five-year deal — though the federal government's budget last year said funding for the program after the fifth year would be \$9 billion annually — and got a commitment of \$2.9 billion for Year 6.

The deal also has Ontario creating 86,000 child-care spaces, though that number includes more than 15,000 spaces already created since 2019.

As well, Ontario secured a review mechanism in Year 3 that lets the province provide an updated costing model and ask for more money to account for any shortfalls.

Region: Ontario^[3]

Tags: Canada-wide agreement^[4]

universal system^[5]

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