

# Child-care deal for Ontario 'happy news' for families, but will there be enough spots? <sup>[1]</sup>

Advocates, analysts applaud the deal but are skeptical that spaces can meet demand, and that promised wage increases can attract enough workers.

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Access online <sup>[2]</sup>

## EXCERPTS

It's difficult to overstate the significance of Ontario signing onto the federal government's \$10-a-day child-care plan for Alexandra Ordolis and her family.

The promised fee reductions — 25 per cent starting in May, retroactive to April 1, and 50 per cent by the end of the year — could be life-changing.

"I feel like it will enable us to think about having a second child, to be perfectly honest," Ordolis said.

A 36-year-old actor who recently started a new career in television production, Ordolis and her husband pay nearly \$2,000 a month in daycare fees. There's no way they could afford paying for two kids at the same time at the current rates, she said. Maybe now they can.

"It makes that prospect a lot more tenable," she said.

Ordolis was among the thousands of parents celebrating Monday's historic announcement, as Ontario became the last province to join Prime Minister Justin Trudeau's signature social program, which aims to build a Canada-wide, \$10-a-day child-care system by 2026.

"I think it's really welcome and happy news," Ordolis said, "even if it took much longer than it should."

While child-care advocates and analysts shared Ordolis's enthusiasm for Ontario's 11th-hour signing of the deal, they remained skeptical of some of the finer details.

In particular, they said the targeted number of new spaces — 86,000 over five years — will not be enough to meet demand, and the touted wage increases for the sector — an \$18 minimum, rising \$1 a year — are insufficient to recruit and retain enough workers to staff the new spaces.

"Thank goodness they signed," said Gordon Cleveland, an emeritus professor in economics at the University of Toronto and one of Canada's leading child-care researchers. "It would have been a complete disaster if Ontario had decided not to sign."

But Cleveland was critical of the fact Ontario took more than a year to reach an agreement and, in his estimation, failed to make headway in key areas in that time.

To achieve the economic benefits of \$10-a-day child care, he said, you need to expand the system to those who aren't currently in it and hire enough staff to run the expanded system. He said what's promised in the deal on both fronts is insufficient.

The 86,000 new spaces include 15,000 created since 2019 and 22,000 that have already applied. "So it's only basically 50,000 spaces over five years," he said, adding that would be a slower rate of increase than in the last five years. "You're moving the price down to \$10 a day and you think that we're going to need a slower rate of increase than we've had over the last five years? Does that make sense to anybody?"

Cleveland's research has found reducing fees by 50 per cent will create demand for 200,000 new spaces in Ontario; cutting fees to \$10 a day will require 300,000 new spaces.

As a result, under the current plan, he expects "long waiting lines to get in."

Carolyn Ferns, public policy co-ordinator for the Ontario Coalition for Better Child Care, agreed that 86,000 new spaces won't be enough, "but it's a good start and you have to start somewhere," she said. "My bigger concern is how are we going to staff those new spaces when we already have a workforce shortage?"

Ferns said what was announced Monday is not enough to retain current staff, let alone recruit thousands more into the workforce.

Her organization and the Association of Early Childhood Educators Ontario have been calling for a salary grid in the child-care sector that would ensure a \$25-per-hour starting wage for all staff and \$30-per-hour starting wage for early childhood educators.

Cleveland said establishing an \$18 wage “floor” in the child-care sector will benefit some workers, but it won’t be meaningful to the majority they’ll need to recruit and retain.

“The province seems to be trying to say we can recruit a lot of additional early childhood educators and not pay them more,” he said. “I’ve been in economics long enough to know that is not the way that labour markets work, and we are in a very tight labour market now.”

Andrea Hannen, executive director of the Association of Day Care Operators of Ontario, which primarily represents for-profit child-care operators, said she was pleased that all licensed child-care centres, not only non-profits, would be allowed to apply for funding to reduce fees to \$10 per day.

“This is really key,” she said in an email. “Without this provision, a lot of families would have been excluded.”

Aside from Hannen, the analysts and advocates interviewed by the Star lamented the length of time it took Ontario to reach an agreement, and they did not agree with Premier Doug Ford or Education Minister Stephen Lecce’s claims that Ontario held out for a better deal.

“They’ve gotten the same deal everybody else did,” Cleveland said. “And they got the same deal they could have gotten a year ago. So it’s a shame they didn’t take it a year ago.”

The extra \$2.9 billion Ontario says it secured by pushing the federal government to agree to a sixth year was already promised in the federal budget, Cleveland added.

The federal government, in fact, is still referring to the deal as a five-year agreement.

Morna Ballantyne, executive director of Child Care Now, said the cost of Ontario’s delay will be felt by parents, who could have seen fee reductions retroactive to the beginning of the year, rather than April 1, as is the case for parents in some provinces and territories.

Ballantyne echoed the concerns of others that the deal is not as ambitious as it could be, particularly with regards to the number of new spaces and workforce retention.

She said she thinks it should be an issue in Ontario’s June 2 election.

“I think it should be a big question: what more can an Ontario government do in those areas, and what will the parties commit to? Because while this is a good start, more is definitely needed.”

**Region:** Ontario <sup>[3]</sup>

**Tags:** workforce <sup>[4]</sup>

expansion <sup>[5]</sup>

wages <sup>[6]</sup>

Canada-wide agreement <sup>[7]</sup>

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