

Hundreds of GTA daycare operators have not opted into \$10/day childcare as deadline looms ^[1]

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EXCERPTS

With just two weeks left before the deadline to opt into affordable daycare, several GTA providers have yet to announce what they intend to do, leaving parents in the dark.

Daycare operators have until September 1 to indicate whether they intend on opting into the program.

The City of Toronto told CityNews there are more than 1,000 childcare centres and licensed home childcare agencies that are eligible to apply to the program. Currently, 570 have opted into the program and 32 have opted out.

Of those who have opted in, 99 are commercial centres or for-profit. Nineteen of the 32 who opted out are also for-profit.

Abigail Doris with the Toronto Coalition for Better Childcare said she believes the majority of not-for-profit childcare centres will opt into the program before the deadline.

“Non-profit childcare centers operate with a volunteer board of directors that’s represented by parents and typically they wouldn’t be meeting throughout the summer, so operators have been trying really hard to make sure that they have all of the information to get approval from their boards so that they can move forward with opting in,” said Doris.

“So, I know parents and families have had to be really patient with this process. But operators are working as hard as they can to finalize everything.”

In Peel Region, 171 daycare providers have expressed interest, but only 35 have formally opted into the program. They are expecting more to opt in before the deadline.

Meanwhile, in York Region, there are 557 eligible daycare centres and 240 have submitted applications to opt in, 102 of which are for-profit. Five centres had opted out, all of which are for-profit providers.

Doris said that she has heard it’s more challenging for for-profit childcare centres because their profit is capped at 10 per cent when they opt into the program.

“So, it’s built into the funding agreement that a cap would be placed on making profit to 10 per cent. And I think that’s where a lot of their dissatisfaction with the agreement is coming from,” explained Doris. “Whereas non-profit childcare centers are really centralizing any of their concerns around the needs of families and their workforce in their decision making.”

Another major concern, Doris said, is that for-profits opting out of the program can have an impact of staff wages.

“Typically, for-profits pay their staff less than non-profit and public centers, and with this agreement, there is a wage floor. So, there’s a missed opportunity for those early childhood educators and those childcare workers to see an increase in their wage.”

She added that quality care is only made possible because of early childhood educators and childcare workers.

“We think it’s so important and it’s so critical that we’re really thinking about families and children in our city and what they need and what that looks like.”

Ontario was the last province to sign the \$13.2-billion deal with the federal government back in the spring.

Daycare costs were first reduced by up to 25 per cent in May and a further cost reduction is expected in December, when fees will be reduced by up to 50 per cent, saving families an average of \$6,000 per year.

Further cuts will be made in September 2024 and will reach \$10 a day by September 2025.

The program, called the Canada-Wide Early Years and Child Care plan, is not mandatory for all daycare providers.

The rebate checks parents were promised at the time of the announcement will be retroactive to April. The City of Toronto told CityNews they should rollout some time in October, but parents will only get that money back if their daycare centre joins the program.

Operators told CityNews back in June that the details from the Ministry of Education, which outlined the funding rules, were full of confusing language, lots of grey areas and left more questions than answers.

Doris said this program creates a great opportunity to actually envision what affordable and accessible childcare looks like, but it needs a collaborative vision between childcare operators, educators and families advocating for it.

“I think the more that we collaborate together and really push our decision makers to see the value of childcare and what it does for our city and our province that we can create a system that is far better than anything that we’ve imagined before,” she added.

Region: Ontario ^[3]

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