

Naureen Rizvi to Ford and Lecce: Stop the erosion of public accountability and wage cap in child care rules ^[1]

Author: Rizvi, Naureen & Ramsey, Tracy

Source: Unifor

Format: Article

Publication Date: 28 Sep 2022

AVAILABILITY

Access online ^[2]

EXCERPTS

Re: Fully supporting the Canada-Wide Early Learning and Child Care System

Dear Premier Ford & Minister Lecce,

We are writing to you on behalf of the 160,000 Unifor members in Ontario, to demand that Ontario fully commit to a strong public child care system and that you reverse course on weakening funding rules for the federal-provincial Canada-Wide Early Learning and Child Care System.

The economic and social impact of a national child care system is enormous. This includes the direct economic activity associated with expanded services, increased labour force participation and employment for parents (especially mothers), and the long-term benefits of improved capacities of children who participated in early learning and child care in their childhood years. Quality child care is a way of closing the gap between development opportunities of the rich and poor. The pandemic has further illustrated why the expansion of child care is an important labour force measure for economic recovery, while ensuring that parents can better afford and access quality child care services.

Following the bi-lateral agreement with the federal government in March 2022, this government committed to creating 71,000 new child care spaces in the recent provincial election. However, the government has refused to implement important structural elements to the province's child care system. In particular, this government has failed to adequately address recruitment and retention challenges in the workforce, and compensation levels for child care workers.

The Ontario government has established 2022 wage floors of \$18 per hour for RECE Program Staff and \$20 per hour for RECE Child Care Supervisors or RECE Home Child Care Visitors.^[1] The funding framework only allows for \$1 per hour annual wage increase until 2026 – with a wage cap of \$25. In other words, this government has implemented a structure that would prevent wage increases for skilled child care workers if they reach \$25 per hour.

This wage suppression is not only detrimental to the goal of increasing the child care workforce in this province, but it places a further burden on a workforce that is overwhelmingly comprised of women. To make matters worse, many workers will not be eligible for the annual \$1 per hour increase to the wage floor due to Bill 124, Protecting a Sustainable Public Sector for Future Generations Act, 2019.

With inflation levels that have not been seen in decades, along with the suppression of wages through Bill 124 and the wage cap contained in the government's child care guidelines, women who work in child care are facing barriers on multiple fronts.

As Ontario continues to keep wages down, other Canadian jurisdictions are moving ahead with effective measures to strengthen the child care labour force. For example, Yukon has committed to a \$30 per hour wage floor and Manitoba has committed to a \$25 per hour wage floor by the next fiscal year. Most other provinces and territories will institute a provincial wage grid and framework that improves compensation and working conditions for child care workers.

Unlike Ontario, most Canadian jurisdictions have also committed to ensuring that child care expansion would prioritize not-for-profit, licensed care. One of the objectives in the Canada-Ontario Canada-Wide Early Learning and Child Care Agreement is “creating more high-quality, affordable licensed child care spaces, predominately through not-for-profit licensed child care providers as outlined in section 2.1.1.”

Yet, recent developments have indicated Ontario's lack of commitment to this principle. Federal Minister of Families, Children and Social Development, Karina Gould, recently wrote a letter to you about recent changes in the province's funding guidelines under the federal-provincial plan. These changes are very concerning. Workers and families are demanding answers from this government about the expansion of for-profit care in Ontario.

The updated August 2022 guidelines made several changes to the original guidelines published in April 2022. One particular concern is the

elimination of a provision that had limited “undue profits.” This provision established that CMSMs/DSSABs would be required to include a maximum profit amount into the service agreements with for-profit licensees on an annual basis. These maximum profit amounts would be measured based on a “reasonable surplus achieved from the provision of child care for the eligible portion of a not-for-profit licensee.”

Since this provision is now removed from the guidelines, how will the Ministry of Education uphold its commitment to ensure that government funds are not subsidizing the undue profits of for-profit child care operators?

Furthermore, the new guidelines removed substantial financial reporting requirements and details about eligible and ineligible expenditures that impact funding allocations to licensees. By removing these details, there is less accountability and oversight over expenditures and profits. These substantial changes appear to ensure that for-profit operators are given more carte blanche to extract profit from the publicly supported child care system.

Ontario families need public, affordable child care now – including fair compensation for child care workers and increased accountability with regard to existing for-profit operators. While the rest of the country moves forward, this government is holding Ontario back. The Financial Accountability Office (FAO) revealed in its 2022-23 Q1 Expenditure Monitor that the province spent \$776 million (nearly 2%) less than planned in the first quarter of the year – including \$107 million below the budgeted amount for the child care system.

This underspending has meant that the services families and workers need are not being developed or delivered. It is unacceptable that the Ontario government has fallen behind on the early learning and child care program and has succumbed to the pressure of for-profit operators, despite the goals and guidelines established in the federal-provincial funding agreement.

We urge you to do the right thing and prioritize efforts to get the child care system running and to ensure that families and workers are not left behind.

We are requesting to meet with you to discuss this urgent matter. We look forward to your reply.

Sincerely,

Naureen Rizvi
Ontario Regional Director

Tracey Ramsey
Director, Women's Department

Region: Ontario ^[3]

Tags: Canada-wide agreement ^[4]

wages ^[5]

workforce ^[6]

Source URL (modified on 3 Oct 2022): <https://childcarecanada.org/documents/child-care-news/22/10/naureen-rizvi-ford-and-lecce-stop-erosion-public-accountability-and>

Links

[1] <https://childcarecanada.org/documents/child-care-news/22/10/naureen-rizvi-ford-and-lecce-stop-erosion-public-accountability-and> [2]

<https://www.unifor.org/news/all-news/naureen-rizvi-ford-and-lecce-stop-erosion-public-accountability-and-wage-cap-child> [3]

<https://childcarecanada.org/taxonomy/term/7856> [4] <https://childcarecanada.org/taxonomy/term/9206> [5] <https://childcarecanada.org/category/tags/wages>

[6] <https://childcarecanada.org/category/tags/workforce>