

# Federal early learning and child care programs

## ■ CHILD CARE EXPENSE DEDUCTION

The federal government introduced the [Child Care Expense Deduction](#) (CCED) in 1972. Initially, it was only available to single-parent families, but in 1983 it became available to two-earner families. In 2021, 1.3 million individuals claimed the CCED.

The CCED, which falls under Section 63 of the *Income Tax Act* and is administered by the Canada Revenue Agency, is a tax deduction earmarked for parents' employment-related child care expenses in licensed or unlicensed care arrangements. According to the [Canada Revenue Agency](#), it “provides some relief for taxpayers who incur child care expenses in order to work, carry on a business or undertake certain educational activities.” In two-parent families (married or common-law), the taxpayer with the lower income must make the claim for child care expenses incurred in the tax year.

The annual child care expense amount allowed for an eligible child (2025) is:

- \$8,000 for a child under seven years at the end of the year;
- \$5,000 for a child aged seven to 16 years; and
- \$11,000 for a child with a disability eligible for the Disability Tax Credit.

An eligible child of a taxpayer for a tax year [is defined as](#):

- A child of the taxpayer or of the taxpayer's spouse or common-law partner; or
- A child who is dependent on the taxpayer or on the taxpayer's spouse or common-law partner for support and whose income for the year does not exceed the basic personal amount for that year.

In addition, the child must be:

- Under 16 years of age at some time in the year; or
- Dependent on the taxpayer or on the taxpayer's spouse or common-law partner and have a mental or physical infirmity.

The CCED [cannot be deducted for](#):

- Medical expenses;
- Clothing, transportation, or education costs; and
- Board and lodging expenses.

For more detailed information, see [Child Care Expense Deduction](#) and [Heidinger, Findlay, and Guèvremont \(2020\)](#).

## Child care expense deduction cost information (millions of dollars)

	2018	2019	2020	2021	2022 (P)	2023 (P)	2024 (P)	2025 (P)
<b>Personal income tax</b>	1,270	1,325	975	1,210	1,260	1,100	1,000	950

Note: The annual amounts in this table represent the total amount claimed for the Child Care Expense Deduction. The figures for 2022 – 2025 are projections (“P”).

Source: [Report on Federal Tax Expenditures – Concepts, Estimates, and Evaluations 2024: Part 4](#)

## CARE FOR NEWCOMER CHILDREN

### Description

Care for Newcomer Children (CNC) is a program funded by Immigration, Refugees, and Citizenship Canada (IRCC) that enables parents – particularly mothers – to access programs that support their social and economic integration, including language instruction, employment services, and community connections.

An estimated 20,000 newcomer children under the age of five arrive in Canada each year. Through CNC, some of these children participate in free, on-site child care while their parents attend federally funded settlement and language programs at agencies across the country.

Located in every province except Quebec, CNC is delivered at more than 250 IRCC-funded sites across Canada, collectively caring for over 6,000 children each year. CNC structure and operations vary by province and territory. While some programs are licensed under local child care regulations, most operate under the Care for Newcomer Children Requirements, which ensures a consistent national standard of health, safety, and quality.

Under the [Canada–Quebec Accord relating to Immigration and Temporary Admission of Aliens](#), Quebec has exclusive responsibility for selecting and settling immigrants, and manages its own newcomer services and supports.

### History

Since the 1990s, the federal government has funded on-site child care for participants in [Language Instruction for Newcomers to Canada](#) (LINC) programs. By 2001, approximately 200 such programs existed nationwide.

In 2000, [CMAS](#) (formerly Childminding Monitoring, Advisory, and Support) was established with IRCC funding to monitor and support these early child care services. Working with IRCC and community stakeholders, CMAS developed a national framework to ensure consistent quality and safety.

This effort culminated in the [Care for Newcomer Children Requirements](#) (CNCR), implemented in 2013. These requirements replaced earlier “childminding” standards and created a flexible system that allows organizations to provide safe, high-quality care tailored to the needs of newcomer families, while managing risk and supporting healthy child development.

## Types of CNC programs

Three types of child care are offered under the CNCR: long-term, short-term, and combined. These are offered individually or in combination, depending on client needs.

## Eligibility requirements

All permanent residents and accepted refugees to Canada have access to free settlement services, including CNC programs, prior to obtaining citizenship. Non-permanent residents or immigrants who have already become Canadian citizens are not eligible.

## Funding for CNC

CNC services are funded through IRCC grants and contribution agreements with community organizations that deliver settlement services. Non-governmental organizations submit proposals to IRCC that may include CNC as a complementary support to programs such as Needs Assessment and Referral, Information and Orientation, Language Assessment and Training, Employment-Related Services, Community Connections, and Refugee Assistance Programs. Funding is in place to operate English and French CNC programs in urban and rural areas, but there can be wait times to access them. Fewer programs offer infant care, so wait times for these services tend to be longer.

This integrated funding model ensures that parents can fully participate in settlement activities while their children are cared for in a safe and supportive environment.

A 2017 federal government [evaluation](#) of settlement services noted, “Women are adversely affected in terms of accessing settlement services when Care for Newcomer Children is unavailable, as in most cases, women will stay home to take care of children while men either access settlement services or seek employment opportunities.” (Section 7.5, Gender differences)

## CMAS support for and monitoring of CNC programs

CMAS works with CNC programs using research-backed standards development, quality enhancement, assessments, resources, and professional development. CMAS conducts an annual review of all CNC programs to ensure they meet health, safety, and program quality standards. The review includes program observations, interviews with staff members, and review of documentation such as fire safety plans, enrolment forms, policies, and procedures. The CMAS process uses an 80-point checklist to review all aspects of care. If a site fails to meet a requirement, the CMAS consultant works with program staff to develop an action plan to address the requirement.

To help community settlement programs meet the unique needs of newcomer children and families, CMAS also develops resources and training, including:

- Multilingual tip sheets for CNC staff and newcomer parents;
- Program guides on caring for refugee children and managing trauma;
- Workshops, webinars, tutorials, and courses for the newcomer child care sector with both in-person and online options;

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- Training that covers a wide range of topics, including creating inclusive environments, supporting the use of home languages, managing life-threatening allergies, and helping prevent child abuse; and
  - Annual CNC professional development conferences for caregivers and administrators where attendees learn about subjects related to the support of young immigrant and refugee children.

The [CMAS website](#) provides resources related to supporting newcomer children and families. These range from current news from the early years and newcomer sectors to CMAS-developed resources such as articles, interviews, and online tutorials, many of which are translated into French. Some resources are available in over 40 languages.

CMAS consultants are available for on-site support across the country to help programs with any specific issues they encounter. A special needs consultant offers guidance, site visits, and lunch-and-learn sessions to assist in supporting children who have or are suspected of having an identified special need.