

Region of Waterloo
Community Services
Children's Services

To: Community and Health Services Committee

Meeting Date: December 6, 2022

Report Title: Region of Waterloo Licensed Home Child Care – 2023 Parent Fee Reduction

1. Recommendation

That the Regional Municipality of Waterloo amend the Fees and Charges By-law (#21-072) as of January 1, 2023 to reflect a 52.75% reduction in parent fee rates for children under the age of six for the Region of Waterloo's Licensed Home Child Care program, as mandated by the new Canada Wide Early Learning and Childcare plan as set out in report CSD-CHS-22-004 dated December 6, 2022.

2. Purpose / Issue:

To seek Council approval to implement a 52.75% reduction in parent fee rates for children under the age of six in the Region of Waterloo's Licensed Home Child Care program in accordance with the new Canada Wide Early Learning and Childcare (CWELCC) program as of January 1, 2023.

3. Strategic Plan:

This report addresses the Region's Corporate Strategic Plan 2019-2023, Focus Area 3: Thriving Economy, Strategic Objective 1.1 Create a competitive business-supportive community to help attract, retain and grow employers, talent and investments in Waterloo Region as well as Focus Area 4: Healthy, Safe and Inclusive Communities, Strategic Objective 4.1 Improve child and youth wellbeing in Waterloo Region.

4. Report Highlights:

- a) Region of Waterloo's Licensed Home Child Care Program has opted in to participate in Canada Wide Early Learning and Child Care (CWELCC) plan and has already provided the 25% retroactive rebate from April 1, 2022 to eligible families and reduced fees as set out in COR-CFN-22-21 dated August 9, 2022.
- b) A further reduction in child care fees is planned for January 1, 2023 and was originally planned for 50% but Provincial Government has now clarified the

reduction will now be 52.75%. There is no additional cost to the Region to provide the fee rebate to families.

- c) As the service provider for the Region of Waterloo Licensed Home Child Care Program, the Region sets the daily parent rates for the contracted home child care providers. These rates are set out in the Region's Fees and Charges Bylaw (#21-072) which became effective March 1, 2022 and must be amended to reflect the 52.75% reduction as of January 1, 2023.

5. Background:

On March 28, 2022, the Government of Canada and the Province of Ontario signed a \$13.2 billion dollar agreement to implement the new Canada Wide Early Learning and Child Care (CWELCC) plan (CSD-CHS-22-02 dated May 10, 2022 and CSD-CHS-22-03, dated June 7, 2022). The CWELCC is a transformational policy direction that aligns with our 2022 to 2026 Early Years and Child Care Service System Plan (CSD-CHS-22-01, dated February 8, 2022) to increase quality, accessibility, affordability, and inclusion in the early years and child care (EYCC) system for children up to the age of six.

6. Area Municipality Communication and Public/Stakeholder Engagement: Nil

7. Financial Implications:

Children's Services is still waiting confirmation of 2023 funding allocation from Ministry of Education. However, the Ministry of Education has committed to providing increased funding to offset revenue reductions required as part of CWELCC. The proposed reduced fees are outlined below for Home Child Care Full Fee Parents:

Last updated By-Law	Fee/Charge Description	Pre April 1, 2022	As of April 1, 2022	Proposed January 1, 2023
21-072	School Age (before and after school under 6)	\$26	\$19.50	\$12.29
21-072	School Age (before and after school over 6)	\$26	\$26	\$26
21-072	Infant (0-10 hours)	\$55.00	\$41.25	\$25.99
21-072	Toddler (0-10 hours)	\$49.00	\$36.75	\$23.15
21-072	Preschool (plus school age children under 6) (0-10 hours)	\$47.00	\$35.25	\$22.21

Last updated By-Law	Fee/Charge Description	Pre April 1, 2022	As of April 1, 2022	Proposed January 1, 2023
21-072	School Age (0-10 hours)	\$45.00	\$45.00	\$45.00
21-072	Infant (10-18 hours)	\$62.00	\$46.50	\$29.30
21-072	Toddler (10-18 hours)	\$60.00	\$45.00	\$28.35
21-072	Preschool (plus school age children under 6) (10-18 hours)	\$58.00	\$43.50	\$27.41
21-072	School Age (10-18 hours)	\$56.00	\$56.00	\$56.00
21-072	Infant (18-23 hours)	\$83.00	\$62.25	\$39.22
21-072	Toddler (18-23 hours)	\$81.00	\$60.75	\$38.27
21-072	Preschool (plus school age children under 6) (18-23 hours)	\$79.00	\$59.25	\$37.33
21-072	School Age (18-23 hours)	\$77.00	\$77.00	\$77.00

The January 2023 fee reductions as reflected above, will result in additional monthly savings of close to \$300 for a typical family accessing home child care for their toddler.

8. Conclusion / Next Steps:

The Region of Waterloo's Home Child Care is participating in the CWELCC Plan and is anticipating the significant fee reductions to have a positive impact on families and their overall finances. Further reductions are planned in 2024 and 2025 to get to a provincial average of \$10 per day. Children's Services staff will provide more information about 2024/2025 when the Provincial Government releases those details.

9. Attachments: Nil

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Approved By: Craig Dyer, Commissioner, Corporate Services/Chief Financial Officer and Peter Sweeney, Commissioner, Community Services