



Submission to The Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities (HUMA)

Ontario Nonprofit Network (ONN)

David Chandonnet
Clerk of the Committee
Tel.: 613-996-1542
By email: HUMA@parl.gc.ca

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Re: Bill C35 *An Act Respecting Early Learning and Childcare in Canada*

Recommendations:

- Adopt legislative changes recommended by the Ontario Coalition for Better Childcare (OCBCC) and the Ontario Federation of Indigenous Friendship Centres (OFIFC).
- Amend Section 7 by adding:
 - (1)(a)(i) where agreements with provinces allow for funding to support for profit childcare providers, safeguards will be put in place to guard against the diversion of funds or critical infrastructure away from care.
 - (1)(e) support childcare providers in attracting and retaining a professional workforce through fair compensation and a decent work environment.

ONN strongly supports the vision embodied in the preamble and declaration

ONN strongly supports the government's vision in Bill C-35 for a Canada-wide early learning and child care system, commitment to maintaining long-term funding for this system, and the creation of a National Advisory Council on Early Learning and Child Care. Furthermore, we specifically commend the government's commitment to supporting culturally appropriate childcare controlled and delivered by Indigenous Peoples in line with commitments under UNDRIP, treaties, and Canada's stated aspirations for renewed nation-to-nation relationships.

As approximately 77 per cent of the nonprofit sector's workforce are women,¹ we also recognize the urgent need for childcare in order for workers to be able to fully contribute to the sector and therefore their communities. If women cannot fully participate in the workforce, it not only harms their economic recovery but all who depend on the essential services the nonprofit sector delivers.

Government's vision cannot be realized without a fairly compensated workforce

In Ontario, job vacancies are resulting in already licensed spaces going unfilled. For example, the YMCA alone (Ontario's largest provider of childcare) is currently only filling 16,000 of its 35,000 licensed spaces due to a shortage of 1,400 workers.² This shortfall is above and beyond the shortfall of approximately 8,500 workers acknowledged by Government of Ontario, that are needed to staff the new spaces the federal and provincial government have signed on to by 2026.³ Furthermore, even if these spaces are created, the Financial Accountability Office has estimated a further shortfall of 220,000 spaces with corresponding need for additional staffing.⁴

The brief you received from the childcare operators in the city and county of Peterborough speak to the challenges in communities with continuing underfunding of childcare staff. ONN's brief to HUMA regarding labour shortages, working conditions, and the care economy made critical recommendations required to establish a decent work floor for care workers including living wages, stable full time employment, benefits, pensions and sick days, and harmonized wages across sectors.⁵ This applies especially to the child care sector which is poorly paid in contrast to the education sector, and public and private sectors.⁶

¹ Ontario Nonprofit Network. (2022). Get to Know Ontario's Nonprofit Sector. [Infographic]. Available at: <https://theonncan.ca/publication/ontario-nonprofit-sector-infographic-english/>

² Mike Crawley. (March 13, 2023). Why a shortage of workers threatens \$10/day child care. CBC. Available at: <https://www.cbc.ca/news/canada/toronto/child-care-worker-shortage-early-childhood-educators-1.6774940>

³ Allison Jones. (January 14, 2023). Government officials estimate Ontario could be short 8,500 early childhood educators. CBC. Available at:

<https://www.cbc.ca/news/canada/toronto/ontario-early-childhood-educator-shortage-1.6714274>

⁴ Financial Accountability Office of Ontario. Demand for \$10-a-day child care expected to significantly exceed supply. FAO Available at: <https://www.fao-on.org/en/Blog/media/MR-2022-education-estimates>

⁵ Ontario Nonprofit Network. (2022). Building a robust and sustainable care economy. Available at: <https://theonncan.ca/publication/building-a-robust-and-sustainable-care-economy/>

⁶ Ontario Nonprofit Network. (2022). Creating wage parity in community care. Available at: <https://theonncan.ca/publication/creating-wage-parity-in-community-care/>

In short, to ensure there is accessible, affordable, inclusive, and high quality childcare for all, the Government of Canada must, in collaboration with provincial governments, commit to supporting decent work for childcare workers. At the very least ensure a minimum wage that is capable of attracting and retaining a sufficient number of workers over the long-term. As the Ontario government has not increased their investment in child care, the Government of Canada may in the future need to commit to stronger bargaining to realize its vision.

We recommend the following be added to the legislation:

7(e) support childcare providers in attracting and retaining a professional workforce through fair compensation and a decent work environment.

Government's vision of accessible and high quality care depends on public and nonprofit delivery

Nonprofit and publicly operated early learning and childcare services are essential if the public dollars provided are to ensure equitable access and the inclusion of all children regardless of ability to pay. We can learn from other jurisdictions about their undesirable experiences with for-profit care. Large investors buy up the small individual childcare providers.⁷ They then proceed to reduce quality of care to ensure they make an operating profit.⁸ Ultimately, the real return on investment is in the ownership of the properties which can be resold again and again while public funding pays the increased debt until services implode, as witnessed in Australia where 1,000 childcare programs collapsed.⁹

In order to realize its stated commitment to the public and nonprofit delivery of childcare, the Government of Canada must build in safeguards in its agreements with provinces to ensure public funding does not subsidize the purchase of childcare facilities for the purposes of real estate speculation. While provincial governments and Indigenous Peoples are ultimately responsible for implementing agreements, Government of Canada must keep a watchful eye and have meaningful tools available to step in when provincial governments prove unable or unwilling to prevent the consolidation of childcare provision by large chains.

ONN therefore recommends the following be added:

⁷ Ontario Nonprofit Network. (November 22, 2018). Not for sale: The Case for Nonprofit Ownership and Operation of Community Infrastructure Available at:

<https://theonn.ca/our-work-2020/our-financing/public-lands-civic-spaces/not-for-sale/>

⁸ Carolyn Ferns. (July 5, 2022). Ontario's for-profit child-care owners demonstrate why they can't be trusted to build Canada's \$10-a-day child-care system. Toronto Star. Available at:

<https://www.thestar.com/opinion/contributors/2022/07/05/ontarios-for-profit-child-care-owners-demonstrate-why-they-cant-be-trusted-to-build-canadas-10-a-day-child-care-system.html>; Chris Hannay. (February 1, 2023). How a Toronto day care was thrown into turmoil after it was bought by a corporate chain. Globe and Mail. Available at:

<https://www.theglobeandmail.com/business/article-ontario-daycare-childcare-lullaboo/>

⁹ Helen Penn (January 19, 2010). "Analysis: Australia - Childcare reformed in wake of ABC collapse" Nursery World Available at:

<https://www.nurseryworld.co.uk/news/article/analysis-australia-childcare-reformed-in-wake-of-abc-collapse>

7(1)(a)(i) where agreements with provinces allow for funding to support for profit childcare providers, safeguards will be put in place to guard against the diversion of funds or critical infrastructure away from care.

Description of Ontario Nonprofit Network (ONN)

ONN is the independent nonprofit network for the 58,000 nonprofits in Ontario, focused on policy, advocacy and services to strengthen the sector as a key pillar of our society and economy. We work to create a public policy environment that allows nonprofits to thrive. We engage our network of diverse nonprofit organizations across Ontario to work together on issues affecting the sector and channel the voices of our network to government, funders, and other stakeholders.

Endorsed by:

Imagine Canada

Our mission is to strengthen Canadian charities and nonprofits so they can better serve individuals and communities both here and around the world. We envision a Canada where thriving communities are fueled by strong nonprofit infrastructure and engagement, and where social, economic, and environmental justice is advanced through collective advocacy and action.