



Staff Report to Council - for Information

Title: Updates to 2026 Ontario Child Care and Early Years Funding (2026 Space Targets and ELCC Infrastructure Fund)

From: Tina Metcalfe, Director Human Services

Date: April 23, 2026

Report Number: HS-2026-008

Report Purpose:

This report is for information.

Report Summary:

In Q2 2025, Ministry of Education (MEDU) conducted a Canada-Wide Early Learning and Child Care (CWELCC) space recalibration, which resulted in a reduction to Bruce County's space allocation. The 2025 reduction in space allocation was [reported](#) at the June 5, 2025 County Council meeting. Based on updated reporting from Consolidated Municipal Service Managers (CMSMs), MEDU undertook a further recalibration of CWELCC space targets to better reflect realistic and achievable growth opportunities across the province.

On March 19, 2026, CMSMs received notice through a MEDU memo that CWELCC space targets had been revised. As a result, Bruce County's CWELCC target for children aged 0-5 has been increased, reflecting the reinstatement of 84 spaces. This brings Bruce County's total CWELCC space target to 1,736 licensed spaces by the end of 2026.

This report outlines the provincial recalibration process, the impact on Bruce County's CWELCC space target, and the approach staff will take to manage the additional CWELCC space allocations within existing provincially mandated planning, funding, and oversight frameworks.

Background/Analysis:

Ontario's CWELCC system is governed by bilateral agreements between the federal and provincial governments and is administered locally by CMSMs. The program is intended to improve the affordability, accessibility, quality, and inclusivity of licensed child care while supporting the creation of new licensed spaces across the province.

In November 2025, Ontario finalized a one-year extension of the CWELCC agreement, ensuring continued federal funding and program stability through December 31, 2026. This extension also maintained the provincial objective of achieving 86,000 net new licensed CWELCC spaces across Ontario by the end of the agreement period.

In late 2025, MEDU requested updated CWELCC delivery and forecasting data from all CMSMs. Based on this information, the province undertook a recalibration of CWELCC space

targets to ensure that remaining growth expectations were aligned with realistic delivery capacity given workforce constraints, construction timelines, and licensing considerations.

The province reviewed CWELCC space targets and prioritized communities that are best positioned to successfully open new licensed child care spaces by the end of 2026. This approach is intended to prevent another broad reduction in targets and instead redirect spaces away from areas that have had difficulty delivering approved expansions.

As a result of this process 22 CMSMs across the province, including Bruce County, received increased CWELCC space targets, with MEDU maintaining existing auspice ratio targets (ratio of for-profit spaces relative to non-profit spaces). This recalibration is intended to maximize the provincial use of available CWELCC funding and accelerate space delivery within the remaining agreement timeframe (December 31, 2026).

Bruce County will manage the additional CWELCC space allocations within existing system oversight and accountability structures. All expansion activity will continue to comply with:

1. The *Child Care and Early Years Act, 2014 (CCEYA)*;
2. The *Ontario Child Care and Early Years Funding Guidelines*; and,
3. Local planning and policy frameworks, including the *Child Care and Early Learning Directed Growth Plan* and the *Access & Inclusion Plan*.

The CWELCC *Transfer Payment Agreement* between Bruce County and MEDU will subsequently be amended to reflect the increased funding associated with the revised CWELCC space target.

In alignment with provincial expectations, Bruce County will proactively plan and expedite local processes to support timely delivery of revised targets. This includes prioritizing projects with strong readiness to meet the year-end deadline for operation, as well as projects ready for coordinated planning, municipal, public health, and licensing approvals.

Additional CWELCC space allocations will be managed in accordance with Bruce County's *Directed Growth Plan*, ensuring that expansion decisions:

1. Support equitable access to licensed child care across all communities;
2. Promote inclusive child care environments for children with diverse needs; and
3. Prioritize community-based, licensed, and CWELCC-eligible child care spaces.

Staff will integrate the additional CWELCC space allocations into the existing expansion queue and continue to engage with child care operators seeking CWELCC expansion opportunities. Staff will apply consistent and transparent evaluation criteria aligned with the *Directed Growth Plan*, monitor operational space delivery risks, and report challenges to MEDU where risks to achieving space targets are identified, in accordance with provincial timelines. All expansion approvals will continue to consider operational viability and long-term child care system sustainability.

Financial/Staffing/Legal/IT Considerations:

The increase in CWELCC space targets will result in a corresponding increase to CWELCC funding allocations from the Province of Ontario. These adjustments will be reflected through an amendment to the CWELCC *Transfer Payment Agreement*. CWELCC funding,

including cost-based and infrastructure allocations, is funded by the Federal and Provincial governments. There is no financial impact to the County tax levy associated with the receipt of additional CWELCC space allocations. All expansion activity will remain subject to provincial funding parameters and legislative compliance.

Interdepartmental Consultation:

Consultation occurred with Government Relations and the Office of the CAO.

Information Technology Services supported the development the online [Early Learning and Child Care Expansion Toolkit](#).

Link to Strategic Goals and Objectives:

Community and Partnerships - Build a strong and inclusive community
Growth and Innovation - Promote responsible growth

Link to Departmental Plan Goals and Objectives, if any:

The Bruce County *Child Care and Early Learning Directed Growth Plan* is in alignment with the priorities of access, inclusivity and affordability as identified in the [Bruce County Early Learning and Child Care Service System Plan - 2024 to 2028](#).

Report Author:

Gillian Andrews, Children's Services Manager

Departmental Approval:

Tina Metcalfe, Director of Human Services

Approved for Submission:

Claire Dodds, Commissioner of Community Development

Attachments:

1. Memo: Updates to 2026 Ontario Child Care and Early Years Funding (2026 Space Targets and ELCC Infrastructure Fund)