

**MINISTRY OF CHILDREN AND FAMILY DEVELOPMENT  
DECISION NOTE**

**DATE:** May 21, 2021

**CLIFF#:** 255844

**PREPARED FOR:** The Honourable Katrina Chen, Minister of State for Child Care

**ISSUE:** Approach to for-profit space creation in Childcare BC Year 4 (2021/22) and beyond

**BACKGROUND:**

In September 2020, the Priorities and Accountabilities Cabinet Committee (P&A) approved the recommendation that by Year 10 of the Childcare BC plan, only public organizations, Indigenous governments, and non-profits would be eligible for provincial child care space creation funding. As a result, space creation grants would no longer be available to for-profit providers.<sup>1</sup>

This approach was recommended to P&A in order to:

- Ensure the investment of public space creation funding into non-profit and publicly-owned facilities;
- Further signal government's move away from market-based child care towards a universal, coordinated child care system;
- Recognize that as government moves towards a universal, publicly-funded, flat fee model of child care delivery, it may be cost prohibitive for for-profit providers to remain in the sector, making the creation of these spaces unviable in the medium-term; and
- Align with recommendations from the Provincial Child Care Council (PCCC) and the Coalition of Child Care Advocates of BC (CCCABC), who have long sought to end the provision of public funding to create for-profit capital assets.

Since that time, the Federal Government has announced the 2021/22 budget, including a commitment to build a Canada-wide, community-based system of quality child care. This commitment includes a focus on expanding non-profit (including public) child care spaces and a 50% reduction in average fees for regulated child care spaces by the end of 2022, building towards an average of \$10 a day for all regulated spaces in Canada by 2025-26.

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**DISCUSSION:**

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<sup>1</sup> With the exception of personal residence-based providers, who would continue to be eligible for Start-Up Grants to become licensed. Appendix A summarizes the September 2020 P&A decision.

## Summary of Operational Child Care & Space Creation

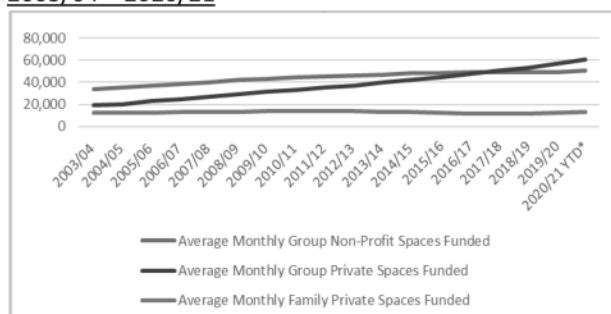
When considering operational child care broadly (Table 1), among operational CCOF and Prototype Site (PT) facilities in 2020/21,<sup>2</sup> 37% were run by for-profit group providers, which delivered 48% of the operational child care spaces. This means for-profit group child care providers make up the largest market-share of the child care sector in BC today.

**Table 1: Average Monthly Child Care Facility and Spaces by Child Care Provider Type, FY 2020/21**

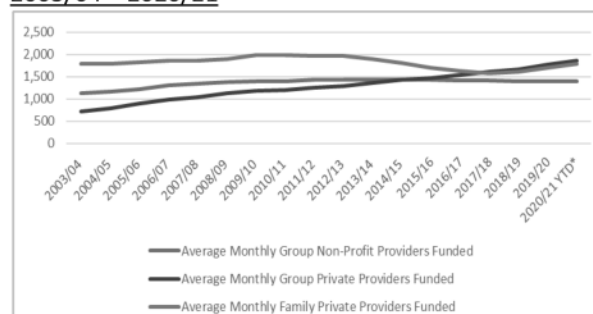
Child Care Provider Type	Facilities	%	Spaces	%
For-Profit Group	1,851	37%	60,968	48%
Non-Profit Group (includes public)	1,418	28%	52,234	41%
Family	1,774	35%	12,850	10%
<b>British Columbia</b>	<b>5,043</b>		<b>126,052</b>	

As shown in Figures 1 & 2, over the last three years, growth in the child care sector has been led by for-profit providers, with both the number of for-profit providers and the spaces they deliver outstripping not-for-profit and family providers starting in 2017/18.

**Figure 1: Average Monthly CCOF Spaces by Auspice, 2003/04 – 2020/21**



**Figure 2: Average Monthly CCOF Facilities by Auspice, 2003/04 – 2020/21**



Note: The CCOF data was extracted on 5 Jan 2021. The 2020/21YTD information were calculated using April to December 2020 data. Due to contract modifications and contract renewals, the 2020/21YTD CCOF figures are anticipated to increase in the remainder of the fiscal year. Average monthly Group and Family providers funded may not add up to average monthly all licensed providers funded due to rounding.

The ongoing growth among for-profit child care providers appears to be steady over the last 15 years. Starting in 2016/17 it appears not-for-profit/public space creation slowed and there may have been a slight acceleration of for-profit space creation. While only a small number of these providers have accessed New Space Funding grants, they all have opted to take advantage of one or more of the operation focused funding programs, including CCOF, CCFRI, ACCB and ECE wage enhancements. The uptake of these programs by for-profit providers indicates our current programs that offer funding for operational expenses highly benefits the for-profit business model, and are to date are not hindering for-profit space creation. In comparison, not-for-profit and public space creation appears to have levelled off.

<sup>2</sup> Does not include child care providers not enrolled in the CCOF or PT sites programs.

**Table 2** illustrates that in the first three years of the New Spaces Fund, 403 projects were funded representing over 18,000 spaces.<sup>3</sup> Of these, only 31.3% of projects representing 33.3% of spaces funded were for-profit projects. Many of these projects are still in development and are not yet operational, with a higher portion of for-profit provided spaces already operational. While the data in Table 2 is not directly comparable to the data in Figures 1 and 2, it is notable that the majority of not-for-profit/public projects funded by New Spaces Fund are not yet operational and would not yet be represented in the CCOF data.

Table 2: New Spaces Fund Funded Projects and Spaces (Years 1-3), by Child Care Provider Type

Provider Type	Projects Funded	Projects Operational	Spaces Funded	Spaces Operational
For-Profit	126 (31.3%)	64 (70.3%)	6,270 (33.3%)	2,846 (83.7%)
Public	201 (49.9%)	12 (13.2%)	9,747 (51.8%)	333 (9.8%)
Not-for-Profit	68 (16.9%)	12 (13.2%)	2,735 (14.5%)	200 (5.9%)
Family	8 (2.0%)	3 (3.3%)	58 (0.3%)	22 (0.6%)
<b>TOTAL</b>	<b>403</b>	<b>91</b>	<b>18,810</b>	<b>3,401</b>

**Decision Required: Should BC stop or reduce space creation funding to for-profit space creation starting in 2021/22:**

The decision to discontinue or reduce business/corporation eligibility to create privately owned child care facilities through the New Spaces Fund is distinct from, and does not impact, for-profit provider eligibility for operating funding.

For-profit providers will remain eligible for operating funding (provided that they opt-into the universal child care system), which will continue to support both current and expanded for-profit child care operations. Continued access to operating funding may encourage for-profit providers to create new child care spaces, regardless of the availability of space creation funding.

Eliminating or reducing space creation funding to create privately owned child care facilities may not significantly change the future growth of the for-profit child care sector given that the majority of new for-profit child care spaces did not receive space creation funding. Rather, the growth among for-profit providers may be most influenced by access to the operation funding programs.

However, discontinuing funding for privately owned capital projects would indicate Government's commitment to funding the growth of facilities owned by public and non-profit entities, which may best support public and not-for-profit providers, in alignment with the Federal child care plan, advice from PCCC and advocates, and most other Canadian jurisdictions (Appendix B). The resultant funds can in turn be spent on supporting expanding new public and not-for-profit child care spaces.

Notably, 2020/21 CCOF data shows that for-profit child care providers charge higher parent fees (Table 3) and pay their staff less<sup>4</sup> than the not-for-profit and public child care providers. Therefore, supporting expansion of public and not-for-profit child care providers also supports

<sup>3</sup> Numbers include Rapid Renovation Fund spaces, but do not include the MOU with the City of Vancouver.

<sup>4</sup> CCOF data shows median hourly wages were 8% higher for staff at non-profit facilities than for those at private facilities in 2020/21.

growth of child care that charge more affordable fees to families and better support the workforce.

Table 3: CCOF Facility Median Fees (2020/21), by Provider Type and Care Type

Provider Type	For-Profit	Non-Profit	Family
Group Infant	\$1,350	\$1,200	\$1,000
Group Toddler	\$1,260	\$1,075	\$950
Group 3 to 5	\$950	\$900	\$900

Notes: New CCOF facilities are defined as those that were not a part of the CCOF program in 2019/20; All parent fees are before the Child Care Fee Reduction Initiative (CCFRI) fee reduction; Data is as of 1 Mar 2020; Data Source: CCOF database and 2020/21 Provider Profile Survey

It is unknown what impacts the COVID-19 pandemic might have on applications for, and realization of, space creation. For-profit space creation projects tend to have lower up-front costs and tend to be renovations, which are realized more quickly than other projects. Incentivizing the creation of these spaces may contribute to economic recovery in the short-term.

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## OPTIONS:

**Option 1: (Recommended)** Discontinue for-profit eligibility (privately owned facility development) for the New Spaces Fund . Do not create any additional incentive programs.

*Pros:*

- For-profit space creation is trending upward indicating that funding space creation will further enable the disproportionate grow of this portion of the sector
- Immediately delivers on the P&A direction to discontinue funding for-profit capital projects by Year 10.
- Aligns with federal direction and the approach of most other Canadian jurisdictions.
- Immediately discontinues spending public funds on private for-profit assets, in alignment with recommendations from advocates and PCCC.
- Stops directly funding the expansion of for-profit child care and immediately shifts and prioritizes space creation funding towards public/not-for-profit space creation projects.



- For-profit providers would continue to be eligible for operating funding programs (CCOF, CCFRI, ECE-WE, ACCB) and in-home for-profit providers (including licensed family, in-home multi-age, group, and group multi-age programs) would continue to be funded through Start-Up Grants.

*Cons:*


- For-profit providers and opposition will likely object to this policy change, but it will be supported by advocates and the PCCC.
- COVID-19: For-profit space creation may contribute to economic recovery in the short term; however, these investments may have a lower long-term return on investment and poorer alignment to a universal child care system and economic recovery due to higher parent fees and lower staff wages.

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**RECOMMENDATION:**

**Option 1:** Discontinue for-profit eligibility for the New Spaces Fund. Do not create any additional incentive programs.

<u>1</u> / 	<u>June 17, 2021</u>
<b>DECISION and SIGNATURE</b>	<b>DATE SIGNED</b>
Hon. Katrina Chen Minister of State for Child Care	

**Attachments:**

- A. Priorities and Accountabilities Submission Recommended Options, September 2020
- B. Cross-Jurisdictional Scan of Capital Funding Eligibility by Applicant Type
- C. Overview of Potential Incentive Program Structures

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## A. Priorities and Accountabilities Submission Recommended Options, September 2020

Decision Point	Recommended Option
<u>Decision 1:</u> What should the governance and service delivery model look like in BC?	s.13
<u>Decision 2:</u> Who should be eligible to receive public funds for building new child care spaces by Year 10 of Childcare BC?	
<u>Decision 3:</u> How much should families pay for child care by Year 10 of Childcare BC?	
<u>Decision 4:</u> Who should be eligible to receive public funds for operating existing/new child care by Year 10 of Childcare BC?	

## B. Cross-Jurisdictional Scan of Capital Funding Eligibility by Applicant Type

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# A PRACTICAL GUIDE FOR UNIVERSAL CHILD CARE IN BRITISH COLUMBIA





# A PRACTICAL GUIDE FOR UNIVERSAL CHILD CARE IN BC

Child Care Professionals of BC  
May 2021

This collaborative document was written by Child Care Professionals working throughout the unceded lands of the Coastal Salish, Esquimalt, sq̓əciy̓aʔt̓ təməxʷ (Katzie), Kwantlen, xʷməθkwəy̓əm (Musqueam), Nl̓eʔkepmx Tmíxʷ (Nlaka'pamux), Syilx tmixʷ (Okanagan), S'ólh Téméxw (Stó:lō), Snuneymuxw, Skwxwú7mesh (Squamish), Songhees, Səlíl̓wətaʔ/Selilwitulh (Tsleil-Waututh), sc̓əwaθenaʔt̓ təməxʷ (Tsawwassen), and ṼSÁNEĆ nations.

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## **CANADA- BRITISH COLUMBIA CANADA-WIDE EARLY LEARNING AND CHILD CARE AGREEMENT**

**BETWEEN: HER MAJESTY THE QUEEN IN RIGHT OF CANADA** (hereinafter referred to as “Canada” or “Government of Canada”) as represented by the Minister of Employment and Social Development Canada (“Canada”) and as represented by the Minister of Families, Children and Social Development (herein referred to as “the federal Minister”)

- and –

**THE GOVERNMENT OF BRITISH COLUMBIA** (hereinafter referred to as British Columbia”) as represented by the Minister of the Ministry of Children and Family Development herein referred to as “the British Columbia Minister”)

REFERRED to collectively as the “Parties”

### **PREAMBLE**

**WHEREAS**, Canada and British Columbia agreed to a Multilateral Early Learning and Child Care (ELCC) Framework on June 12, 2017 which articulated their shared vision for early learning and child care and describes their approach to achieve this vision;

**WHEREAS**, Canada and British Columbia will work together to build a community-based system of quality, regulated early learning and child care, aiming for all families to have access to high-quality, affordable, flexible and inclusive early learning and child care no matter where they live;

**WHEREAS**, Building on the 2020 Fall Economic Statement (FES), Budget 2021 commits almost \$30 billion over five years and provides permanent ongoing funding to work with provincial and territorial, and Indigenous partners to support quality, not-for-profit child care, and ensure early childhood educators are at the heart of the system. Combined with previous investments announced since 2015, approximately \$9.2 billion per year ongoing will be invested in child care, including Indigenous Early Learning and Child Care, starting in 2025-26;

**WHEREAS**, Canada’s spending in early learning and child care is intended to increase until it is roughly shared with provinces and territories by 2025-26;

**WHEREAS**, To further support a lasting federal commitment, Canada is committed to tabling Early Learning and Child Care Legislation in fall 2021, following consultations with stakeholders, provincial, territorial, and Indigenous partners, to enshrine the principles of a Canada-wide ELCC system into law;

**WHEREAS**, the *Department of Employment and Social Development Act (DESDA)* authorizes the federal Minister to enter into agreements with the provinces and territories, for the purpose of facilitating the formulation, coordination and implementation of any program or policy falling within *DESDA*;

**WHEREAS**, the *Child Care BC Act* and the *Child Care Subsidy Act* and/or other provincial legislation authorize the British Columbia Minister to enter in agreements with the Government of Canada under which Canada undertakes to provide funding toward costs incurred by the Government of British Columbia for the provision of early learning and child care;

**WHEREAS**, Canada has, pursuant to its Policy on Transfer Payments, established a transfer payment program to provide funds to the provincial and territorial governments for the development and delivery of regulated child care programs and services;

**WHEREAS**, the Truth and Reconciliation Commission of Canada has called “upon the federal, provincial, territorial, and Indigenous governments to develop culturally appropriate early childhood education programs for Aboriginal families”;

**WHEREAS**, Canada and the Assembly of First Nations, Inuit Tapiriit Kanatami, the Métis National Council jointly released the co-developed Indigenous ELCC Framework in September 2018, which establishes overarching principles and sets a vision for happy and safe Indigenous children and families, strong cultural identity, and a comprehensive and coordinated system that is anchored in self-determination and centered on children and grounded in culture, and can be used as a guide for all actors involved in Indigenous ELCC; and,

**WHEREAS**, British Columbia invests in early learning and child care for Indigenous children and Canada and British Columbia agree to work collaboratively with Indigenous governing bodies and organizations to achieve a Canada-wide ELCC system.

**NOW THEREFORE**, Canada and British Columbia agree as follows:

## **1.0 VISION FOR CANADA-WIDE EARLY LEARNING AND CHILD CARE**

- 1.1 Canada and British Columbia agree that the long-term vision and objectives for Canada-wide ELCC set out in the Multilateral Framework will guide the investment of funds provided under this Agreement. This includes the vision that all families in Canada have access to high-quality, affordable, flexible and inclusive early learning and child care no matter where they live.
- 1.2 Canada and British Columbia aspire to the following objectives:
  - a) A typical parent fee of \$10/day for all regulated child care spaces for children aged 0 – 5 in British Columbia by the end of this five-year

Agreement (throughout the Agreement, the use of the term “regulated” refers to child care providers and spaces licensed and funded by British Columbia and those established and/or monitored by Indigenous governments and authorities);

- b) Creating more high-quality, affordable regulated child care spaces, primarily through not-for-profit and public child care providers;
- c) Addressing barriers to provide inclusive and flexible child care; and,
- d) Valuing the early childhood workforce and their work and providing them with training and development opportunities needed to support their growth and the growth of a quality system of child care.

- 1.3 Canada and British Columbia agree that progress toward this vision will be undertaken by prioritizing federal investments in support of regulated early learning and child care and for children under age six.

## **2.0 CANADA-WIDE EARLY LEARNING AND CHILD CARE OBJECTIVES AND AREAS OF INVESTMENT**

2.1.1 Canada and British Columbia commit to the following provincial objectives:

### *Affordability:*

- Working towards achieving a parent fee reduction for children under age six to an average of \$10 per day for all regulated child care spaces by the end of the five-year Agreement;
- Increasing the number of \$10/day spaces to a total of 12,500, and reducing average parent fees for regulated and funded child care for children aged 0-5 by 50 percent, for a combined impact of \$21/day on average, by December 2022.

### *Accessibility:*

- Creating a total of 30,000 new regulated spaces for children under age six by 2025-26; and creating 40,000 new regulated spaces for children under age six by 2027-28.

In creating these child care spaces, British Columbia commits that:

- These spaces will be focused in community investments that are long term and run by public and non-profit institutions and will build on 2,500 current federally funded, and almost 4,000 planned provincially funded \$10/day spaces; and

- Federal funding will be exclusively used to support licensed child care delivery by licensed providers.

#### *Quality:*

British Columbia commits to use federal funds to demonstrate meaningful progress on improving quality, including:

- Developing and implementing evidence based quality frameworks, standards, and tools for early learning and child care; and
- Developing a wage grid for ECEs and committing to its implementation.

#### *Inclusive:*

- Combining some federal contributions to provincial contributions will provide expanded supports for children with support needs, and Indigenous-led child care, in order to:
  - Develop a plan and make progress to ensure vulnerable children and children from diverse populations, including but not limited to children living in low income; Indigenous children; Black and other racialized children; children with disabilities and children needing enhanced or individual supports; children of newcomers to Canada; and official language minorities, have equitable access to regulated child care spaces, in proportion to their presence in the population;
  - Develop and fund a plan to enhance inclusion of all children with disabilities and children needing enhanced or individual supports; and
  - Develop a collaborative plan with relevant First Nations and Métis Nation organizations in BC to ensure that Indigenous children resident in BC will have access to affordable, quality and culturally appropriate ELCC.

#### *Data Sharing and Reporting*

- BC commits to share available data needed to monitor progress and enhanced data collection and reporting to Canada to ensure meaningful assessment of results and outcomes for BC families from federal funding.

2.1.2 British Columbia's policy and approach to achieving these objectives is set out in its Action Plan attached as Annex 2.

## 2.2 Eligible Areas of Investment

2.2.1 British Columbia agrees to use funds provided by Canada under this Agreement to support the expansion of regulated child care, and to prioritize not-for-profit (including publically delivered) early learning and child care programs and services, for children under the age of six, where:

- a) Regulated programs and services are defined as those that meet standards that are established and/or monitored by provincial/territorial governments and Indigenous governments and authorities.
- b) Not-for-profit providers/operations, which includes publically delivered operations, are defined as those that provide child care services to a community for a purpose other than generating a profit, typically improving family and/or child well being and/or development. Providers may generate a profit, but the surplus earnings, or other resources, are directed towards improving child care services rather than distributed for the personal benefit of owners, members, investors or to enhance asset growth. Early learning and child care programs and services are defined as those supporting direct care and early learning for children in settings including, but not limited to, regulated child care centres, regulated family child care homes, early learning centres, preschools and nursery schools.

2.2.2 In developing and delivering its ELCC programs and services, British Columbia agrees to take into account the needs of official language minority communities in its jurisdiction.

2.2.3 Acceptable investments under this Agreement may include, but are not limited to: capital and operating funding for regulated ELCC; fee subsidies; training, professional development and support for the early childhood workforce; quality assurance; parent information and referrals; and certain administration costs incurred by British Columbia to support the growth and expansion of the child care system, and the implementation and administration of this Agreement.

2.2.4 Canada and British Columbia also agree to promote, define, and deliver innovative approaches to enhance the quality, accessibility, affordability, flexibility, and inclusivity of ELCC systems, with consideration for those more in need.

2.2.5 Canada and British Columbia agree that funding will be targeted toward regulated programs and activities, as described above, for children under age six, that will have an impact on families, including families more in need such as lower-income families, Indigenous families, lone-parent families, and families in underserved communities, including Black and racialized families; families of children with disabilities and children needing enhanced

or individual supports; and families with caregivers who are working non-standard hours. Needs also include having limited or no access to ELCC programs and services in the children's official language.

### **3.0 PERIOD OF AGREEMENT**

- 3.1 This Agreement shall come into effect upon the last signature being affixed and will remain in effect until March 31, 2026, unless terminated in writing by Canada or British Columbia in accordance with the terms hereof in section 10. Funding provided under this Agreement, in accordance with section 4, will cover the period from April 1, 2021 to March 31, 2026.
- 3.2 Canada-Wide Early Learning and Child Care Bilateral Agreements
  - 3.2.1 Renewal of this Agreement beyond March 31, 2026 will provide British Columbia and Canada the opportunity to review and course correct, if required, and realign new priorities in future Agreements based on progress made to date.
  - 3.2.2 In the event this Agreement is renewed in accordance with the terms of section 3.2.1, British Columbia may continue to use funding provided to cover the same eligible areas of investment as those covered through funding received for the period 2021-2026 subject to the terms and conditions of that renewed Agreement.

### **4.0 FINANCIAL PROVISIONS**

- 4.1 These contributions are in addition to and not in lieu of those that Canada currently pays to British Columbia through the Canada Social Transfer, or any other Agreement Canada has with British Columbia in relation to ELCC.
- 4.2 Allocation to British Columbia
  - 4.2.1 Subject to Parliamentary approval of appropriations, Canada has designated the following maximum amounts to be transferred in total to all provinces and territories under this initiative with a fixed base rate of \$2 million per year for each province and territory and the balance of the funding on a per child (0-12) basis for the period starting on April 1, 2021 and ending on March 31, 2026. This funding is for financial commitments made as part of the 2021-2026 Canada-wide Early Learning and Child Care Agreements.
    - a) \$2,948,082,433 for the Fiscal Year beginning on April 1, 2021
    - b) \$4,489,349,839 for the Fiscal Year beginning on April 1, 2022
    - c) \$5,538,345,183 for the Fiscal Year beginning on April 1, 2023
    - d) \$6,492,201,954 for the Fiscal Year beginning on April 1, 2024
    - e) \$7,718,943,823 for the Fiscal Year beginning on April 1, 2025



- 4.2.2 Subject to annual adjustment based on the formula described in section 4.2.3, British Columbia's estimated projected share of the amounts described in section 4.2.1 will be:

Fiscal Year	Estimated amount to be paid to British Columbia* (subject to annual adjustment)
2021-2022	\$349,179,732
2022-2023	\$530,900,655
2023-2024	\$654,355,932
2024-2025	\$766,543,594
2025-2026	\$910,703,873

\* The notional allocations for 2021-2022 use Statistics Canada's population estimates as at July 1st 2020. Notional allocations for years 2022-2023 to 2025-2026 are calculated based on Statistics Canada's longer-term population growth models using the Medium Growth M1 Population Growth Scenario from the previous fiscal year.

- 4.2.3 The final amount to be paid to British Columbia for the fiscal year will be calculated using the formula  $F \times K/L$  plus \$2 million, where:

F is the annual total funding amount transferred to provinces and territories for the fiscal year minus the base funding from all provinces and territories;

K is the total population of children aged 0-12 in British Columbia on July 1 of that fiscal year, as determined using population estimates from Statistics Canada;

L is the total population of children aged 0-12 on July 1 of that fiscal year, as determined using population estimates from Statistics Canada.

- 4.2.4 For the purposes of the formula in section 4.2.3, the population of children aged 0-12 for British Columbia for each fiscal year and the total population of children aged 0-12 in all provinces and territories for that fiscal year are the respective populations as determined on the basis of the quarterly preliminary estimates of the respective populations on July 1 of that Fiscal Year. These estimates are released by Statistics Canada in September of each fiscal year.
- 4.3 In this Agreement, "Fiscal Year" means the period commencing on April 1 of any calendar year and terminating on March 31 of the immediately following calendar year.
- 4.4 Payment

- 4.4.1 Subject to Parliamentary approval of appropriations, Canada's contribution will be paid in approximately equal semi-annual installments as follows:

In 2021-2022, the first installment will be paid within 60 days after the signatures from both Parties are affixed to the Agreement. The second installment will be paid on or about November 15.

Beginning in 2022-2023, the first installment will be paid on or about June 15 of each Fiscal Year. The second installment will be paid on or about November 15 of each Fiscal Year once conditions in 5.2 are satisfied.

- 4.4.2 The amount of the first installment will be an amount equal to 50% of the total amount of Canada's maximum contribution to British Columbia for the Fiscal Year, which will be calculated using Statistics Canada 0-12 population estimates from the previous year.
- 4.4.3 The amount of the second installment will be an amount equal to the balance of Canada's contribution to British Columbia for the Fiscal Year based on the actual amount of the contribution determined under sections 4.2.3 and 4.2.4 for the Fiscal Year.
- 4.4.4 Canada will notify British Columbia at the beginning of the Fiscal Year of their notional amount. The actual amount will be based on the Statistics Canada quarterly preliminary children (0-12) population estimates on July 1 of the preceding Fiscal Year.
- 4.4.5 In 2023-2024, Canada shall withhold payment of its first installment if Canada has not received from British Columbia its planned Action Plan for 2023-2024 to 2025-2026, in accordance with requirements outlined in section 5.1.
- 4.4.6 Starting in 2022-2023, Canada shall withhold payment of its first installment for a Fiscal Year if Canada has not received from British Columbia all information requested under section 4.4.8 for the payment of its second installment from the previous Fiscal Year.
- 4.4.7 Starting in 2022-2023, Canada may withhold amounts payable in respect of Fiscal Year if British Columbia is unable to meet the objectives of the Agreement, in accordance with section 2. In such an event, Canada will provide British Columbia with written notice of its intention to withhold amounts payable, and procedures for dispute resolution will be followed in accordance with Section 8.0.
- 4.4.8 Starting in 2022-2023, Canada shall withhold payment of its second installment for that Fiscal Year until British Columbia provides an annual report outlining data and results achieved from the previous Fiscal Year in

accordance with section 5.2.2 (a) and its annual audited financial statement of the previous Fiscal Year in accordance with section 5.2.2 (b).

4.4.9 The sum of both semi-annual installments constitutes a final payment and is not subject to any further adjustment once the second installment of that Fiscal Year has been paid, unless there is a debt due to Canada, which requires repayment in accordance with section 4.7.

4.4.10 Payment of Canada's funding for each Fiscal Year of this Agreement is subject to an annual appropriation by the Parliament of Canada for this purpose. Likewise, use of the funding by British Columbia is subject to an annual appropriation by British Columbia's Legislature.

4.5 Maximum annual contribution in respect of administration costs

4.5.1 Canada's contribution in respect of British Columbia's administration costs referred to in section 2.2.3 shall not exceed:

In the Fiscal Years covered under this Agreement an amount up to 10% of the maximum amount payable for those Fiscal Years.

4.6 Carry Forward

4.6.1 For the Fiscal Years 2021-2022 and 2022-2023, at the request of British Columbia, and subject to Employment and Social Development Canada receiving approval of Canada's Treasury Board, British Columbia may retain and carry forward to the following Fiscal Year any unexpended funds remaining from British Columbia's annual contribution payable under section 4.2., up to a maximum of 75% of the contribution payable. Any unexpended funds in excess of 75% of the contribution payable represents an overpayment subject to section 4.7.

4.6.2 British Columbia may only use the amount carried forward to the following Fiscal Year for expenditures on eligible areas of investment made under section 2.2 incurred that Fiscal Year.

4.6.3 For greater certainty, any amount carried forward under section 4.6.1 is supplementary to the maximum amount payable to British Columbia under section 4.2 of this Agreement during the Fiscal Year in which the funding is carried forward.

4.6.4 All amounts carried forward to the next Fiscal Year, pursuant to section 4.6.1 must be spent by the end of that Fiscal Year. British Columbia is not entitled to retain any such carried forward amounts that remain unexpended after the end of that Fiscal Year, nor is it entitled to retain any balance of Canada's contribution payable pursuant to section 4.2. that remains

unexpended at the end of that Fiscal Year and is not carried forward in accordance with section 4.6.1. Such amounts are considered debts due to Canada and shall be repaid in accordance with section 4.7.

- 4.6.5 Starting in 2023-2024, at the request of British Columbia, and subject to Employment and Social Development Canada receiving approval of Canada's Treasury Board, British Columbia may retain and carry forward to the following Fiscal Year any unexpended funds remaining from British Columbia's annual contribution payable under section 4.2, up to a maximum of 10% of the contribution payable. Any unexpended funds in excess of 10% of the contribution payable represents an overpayment subject to section 4.7.
- 4.6.6 British Columbia may only use the amount carried forward to the following Fiscal Year for expenditures on eligible areas of investment made under section 2.2 incurred that Fiscal Year.
- 4.6.7 For greater certainty, any amount carried forward under section 4.6.5 is supplementary to the maximum amount payable to British Columbia under section 4.2 of this Agreement during the Fiscal Year in which the funding is carried forward.
- 4.6.8 All amounts carried forward to the next Fiscal Year, pursuant to section 4.6.5 must be spent by the end of that Fiscal Year. British Columbia is not entitled to retain any such carried forward amounts that remain unexpended after the end of that Fiscal Year, nor is it entitled to retain any balance of Canada's contribution payable pursuant to section 4.2. that remains unexpended at the end of that Fiscal Year and is not carried forward in accordance with section 4.6.5. Such amounts are considered debts due to Canada and shall be repaid in accordance with section 4.7.

#### 4.7 Repayment of overpayment

- 4.7.1 In the event payments made to British Columbia exceed the amount to which British Columbia is entitled under the Agreement and/or unexpended funding is in excess of the carry forward allowance, the amount of the excess is a debt due to Canada and shall be repaid to Canada upon receipt of notice to do so and within the period specified in the notice.
- 4.7.2 Canada shall, in addition to any other remedies available, have the right to recover the debt by deducting or setting-off the amount of the debt from any future contribution payable to British Columbia under this Agreement.

#### 4.8 Use of Funds

- 4.8.1 Canada and British Columbia agree that funds provided under this Agreement will only be used by British Columbia in accordance with the areas for investment outlined in section 2.2 of this Agreement.
- 4.8.2 Canada and British Columbia agree that, within each Fiscal Year of the period of this Agreement, British Columbia may move funding between the individual programming categories outlined in its Action Plan in Annex 2 to ensure the maximum use of funding. British Columbia agrees to notify Canada in writing of any such change in funding allocation, including the rationale for the change. The change will be implemented upon Agreement between Canada and British Columbia.
- 4.8.3 Canada and British Columbia agree that funds provided under this Agreement will be used to ensure improvements in ELCC as outlined in 2.1.1 and will not displace existing provincial or municipal spending in place on or before March 31, 2021.

## **5.0 ACCOUNTABILITY**

### **5.1 Action Plan**

- i. British Columbia has completed and shared its Action Plan for 2021-22 and 2022-23 (Annex). Subsequently, British Columbia will provide an Action Plan for Fiscal Years 2023-2024 to 2025-2026 by the beginning of Fiscal Year 2023-2024. British Columbia will publicly release their Action Plan which:
  - a) Outlines an implementation plan towards achieving objectives set out in Section 1, including priority areas for investment, and targets by indicator, within the Framework's parameters;
  - b) Identifies specific targets for each indicator that will be reported on annually for tracking progress, in relation to the objectives set out under section 2.1.1, and as outlined in its Action Plan in Annex 2, and which may include the following indicators below. The following indicators should be used where data is available; for the indicators that British Columbia is unable to report, it should indicate in its Action Plan in Annex 2 how it plans to investigate the production of these indicators over the course of the Agreement:
    - i. Total number of spaces for which operational funding is provided available during the Fiscal Year - broken down by age groups of child and type of setting (e.g., for profit/not-for-profit/public regulated child care centres, regulated family child care homes, etc.);
    - ii. The number of net new spaces created during the Fiscal Year - broken down by age groups of child and type of setting (e.g., for profit/not-for-profit/public regulated child care centres, regulated family child care homes, etc.);

- iii. Average daily parental out-of-pocket fee for regulated child care spaces at the end of each Fiscal Year, including at the beginning of 2021-22 and at the end of 2022;
  - iv. Number for children under age six receiving parent fee subsidies, broken down by families receiving partial and full subsidies;
  - v. Number and proportion of children under age six in flexible regulated ELCC arrangements and number and proportion of centers/providers that provide flexible arrangements (i.e. non-traditional arrangements such as flexible/irregular hours, weekend and emergency services; and geographic distribution of spaces);
  - vi. Number of children under age six with disabilities and children needing enhanced or individual supports that are in regulated ELCC spaces;
  - vii. Number or proportion of child care service providers who provide services that are adapted to the needs of children with disabilities and children needing enhanced or individual supports;
  - viii. Number of Indigenous children under age six years in regulated ELCC spaces, distinction-based (First Nations, Inuit, Metis) where possible;
  - ix. Number of racialized Canadian children, including Black Canadian children under age six in regulated ELCC spaces;
  - x. Number of staff working in regulated child care programs in British Columbia who fully meet the British Columbia's certification/educational requirements;
  - xi. Annual public expenditure on training and professional development of the early childhood workforce; and
  - xii. Wages of the early childhood workforce according to the categories of certification, including any wage enhancements, top-ups and/or supplements.
- c) Identifies additional jurisdiction-specific indicators for tracking progress in relation to the objectives of the Agreement;
- d) Describes how British Columbia plans to address the ELCC needs of its children/families more in need, as described in section 2.2.5;
- i. If available, number and proportion of children under age six from families more in need that are in regulated ELCC spaces. For the elements that British Columbia is unable to report, it should indicate in its Action Plan in Annex 2 how it plans to investigate the production of these elements over the course of the Agreement;
- e) Outline any additional available information to be reported annually that would be useful to assess progress, including:
- i. Information about waiting lists to access regulated ELCC spaces.
  - ii. Total child care subsidies provided by parents' income level;
  - iii. Child-to-staff ratio among licensed child care service providers; and
  - iv. Total annual investment in ELCC.

- f) A description of consultation processes referred to in section 5.1.2, the type of groups consulted and annual priorities related to stakeholder feedback.

5.1.2 British Columbia will consult with parents, child care providers, experts, Indigenous peoples, official language minority communities and other interested parties as an important step in developing and revising its future Action Plans. British Columbia will outline the results of consultations in its future Action Plans as well as through its annual reporting.

5.1.3 By the beginning of Fiscal Year 2023-24, British Columbia commits to share with Canada its 2023-2024 to 2025-2026 action plan. The action plan shall include the elements described in section 5.1 (i) a) – f). Once the Parties agree that the annual action plan is final, the action plan may be published by one or both of the Parties and Canada will be able to provide British Columbia with its first payment for the Fiscal Year 2023-24 according to section 4.4.

## 5.2 Reporting

5.2.1 In the first fiscal year, British Columbia agrees to provide baseline data on indicators set out in their Action Plan as soon as possible after the Parties sign this Agreement.

5.2.2 Starting in 2022-2023, by no later than October 1 of each Fiscal Year during the Period of this Agreement, British Columbia agrees to:

- a) Provide to Canada an Annual Report in the format and manner decided jointly by Canada and British Columbia. The report shall show separately the results attributable to the funding provided by Canada under this Agreement and shall include:
  - i. Description of the activities, expenditures and results of the Agreement as set out in Annex 2;
  - ii. Results achieved in working towards the vision for Canada-wide ELCC set out in this Agreement, including average child care fees and progress toward the average 50% reduction in fees by the end of 2022 and reaching an average fee of \$10/day by 2025-2026;
  - iii. Results achieved according to the indicators and targets referred to in Annex 2;
  - iv. The impact on families more in need, as described in section 2.2.5, including progress toward specific British Columbia targets as described in Annex 2, such as the numbers of inclusive spaces supported by federal funding and by category. For the elements that British Columbia is unable to report, it should indicate in its Action Plan in Annex 2 how it plans to

- investigate the production of these elements over the course of the Agreement;
- v. Additional available information to be reported annually that would be useful to assess progress;
- vi. Description of any relevant consultation processes, the type of groups consulted and annual priorities related to stakeholder feedback referred to in Annex 2; and,
- vii. Any additional results of an annual child care census as per section 5.2.2 (g) and any evaluation activities undertaken in the Fiscal Year, as available.

Continue to provide to Canada additional data required for the publication of the annual National Progress Report.

- b) Provide to Canada an audited financial statement of revenues received from Canada under this Agreement during the Fiscal Year
  - i. The revenue section of the statement shall show the amount received from Canada under this Agreement during the Fiscal Year.
  - ii. The total amount of funding used for ELCC programs and services under section 2.2.
  - iii. The administration costs incurred by British Columbia in developing and administering ELCC programs under section 2.2.3.
  - iv. If applicable, the amount of any amount carried forward by British Columbia under section 4.6.
  - v. If applicable, the amount of any surplus funds that are to be repaid to Canada under section 4.7.

The financial statement shall be prepared in accordance with Canadian Generally Accepted Accounting Principles and the audit shall be performed by the British Columbia Auditor General or his/her delegate, or by an independent public accounting firm registered under the laws of British Columbia and shall be conducted in accordance with Canadian Generally Accepted Auditing Standards.

- c) Provide financial and administrative information, as required, to demonstrate progress in meeting the requirements in this Agreement.
- d) Canada and British Columbia recognize the importance of reporting to the public on results achieved under this Agreement. Within 365 days of the end of each Fiscal Year during the Period of this Agreement, British Columbia agrees to report to the people of British Columbia and Canada on the results and expenditures of ELCC programs and services. The report shall show separately the results attributable to the



funding provided by Canada under this Agreement and be consistent with the Annual Report outlined under section 5.2.2 (a).

- e) To inform reporting on results related to British Columbia Action Plan, British Columbia agrees to undertake, and share results with Canada from, an annual census of child care providers and other participants in the sector in British Columbia to collect information, including: number of children enrolled, capacity (number of spaces), number of ECEs, ECE wages and qualifications, fee charged to parents, subsidies, and auspice, number of First Nations, Inuit or Metis child care spaces supported, etc.. Costs of undertaking such a census would be eligible expenses under this Agreement, to the maximum set out in section 4.5.1.

5.2.3 Canada, with prior notice to British Columbia, may incorporate all or any part or parts of the Annual Report described under section 5.2.2 (a) into any public report that Canada may prepare for its own purposes, including any reports to the Parliament of Canada or reports that may be made public.

### 5.3 Audit

5.3.1. British Columbia will ensure that expenditure information presented in the annual report is, in accordance with British Columbia's standard accounting practices, complete and accurate.

### 5.4 Evaluation

5.4.1 As per established policies and processes with respect to program effectiveness, British Columbia will evaluate programs and services receiving funds provided under this Agreement and make public the results of any such evaluations.

5.4.2 British Columbia may be asked to participate in the evaluation by Canada of the initiatives under this Agreement and agrees to provide information as requested by Canada during and following the Agreement in order for Canada to evaluate relevant initiatives under this Agreement. Evaluation results will be made available to the public.

## 6.0 LONG-TERM COLLABORATION

6.1 Understanding that building a new social program is complex, and that both governments are committed to achieving \$10 a day child care, Canada and British Columbia will create an officials-level Implementation Committee that will monitor progress towards this goal in consultation with stakeholders. British Columbia will provide data to support the work of the Implementation Committee.

- 6.2 Canada and British Columbia, through the Implementation Committee and/or Designated Officials, agree to meet at least twice annually, timed to coincide with the planning and reporting cycles, or as agreed to by the Parties to discuss and exchange on issues related to this Agreement, including:
- i. Administration and management of the Agreement, including providing a forum for the exchange of information on annual planning priorities and reporting;
  - ii. Exchanging information on local challenges and priorities and the results of engagement with relevant stakeholders, including official language minority communities;
  - iii. Providing a forum to exchange information on best practices and have discussions related to the implementation of the Agreement, for example, status of data collection and results, the planning of expenditures;
  - iv. Improving data collection and dissemination on key ELCC information, including culturally oriented ELCC information for Indigenous children, Black and other racialized children, newcomer children, and other groups of children that may require additional consideration for accessing programs and services;
  - v. Review and provide direction to resolve any issues arising from the implementation and management of this Agreement, and from the evaluation of provincial programs supported under this Agreement;
  - vi. Monitor progress towards the shared goal of \$10/day child care, in consultation with stakeholders; and
  - vii. In December 2022, report to the Governments of Canada and British Columbia on progress towards Canada and British Columbia's shared goals to date and for the remaining term of the Agreement.
- 6.3 Canada and British Columbia agree to share and release data as available, and share knowledge, research and information on effective and innovative practices in ELCC, to further support the development of and reporting on quality and outcomes. Canada and British Columbia agree to work together, and with stakeholders, towards the development of additional measures and indicators that could be included in bilateral Agreements in the future that could reinforce the vision for Canada-wide ELCC.

## **7.0 COMMUNICATIONS**

- 7.1 Canada and British Columbia agree on the importance of communicating with citizens about the objectives of this Agreement in an open, transparent, effective and proactive manner through appropriate public information activities.
- 7.2 Canada and British Columbia recognize the importance of ensuring that the public is informed of Canada's financial contributions to British Columbia's ELCC programs and services, funded under this Agreement.

- 7.3 Each government will receive the appropriate credit and visibility when investments financed through funds granted under this Agreement are announced to the public.
- 7.4 Canada reserves the right to conduct public communications, announcements, events, outreach and promotional activities about the Framework and bilateral Agreements. Canada agrees to give British Columbia 10 days advance notice of public communications related to the Framework, bilateral Agreements, and results of the investments of this Agreement.
- 7.5 British Columbia reserves the right to conduct public communications, announcements, events, outreach and promotional activities about the Framework and bilateral Agreements. British Columbia agrees to give Canada 10 days advance notice and advance copies of public communications related to the Framework, bilateral Agreements, and results of the investments of this Agreement.
- 7.6 Canada and British Columbia agree to participate in a joint announcement upon signing of this Agreement.
- 7.7 Canada and British Columbia agree to work together to identify opportunities for joint announcements relating to programs funded under this Agreement.
- 7.8 British Columbia will make best efforts to require service providers, funded under this Agreement to display federal identification to recognize that the programs and services provided receive Canada's financial assistance.
- 7.9 British Columbia agrees that promotional communications to all groups receiving funding through this Agreement (i.e., child care centres, regulated family child care homes, early learning centres, preschools and nursery schools, before-and after-school programming, businesses, associations, unions, training institutions, universities, colleges, and career colleges) will include federal identification and recognize Canada's financial assistance.
- 7.10 Canada will provide a mutually agreed upon standard letter to British Columbia for use in notifying all recipients of funding from this Agreement, to include federal and British Columbia identification and recognize Canada's financial assistance. Parties may collectively agree on an alternate version that appropriately identifies and recognizes both Parties.

## **8.0 DISPUTE RESOLUTION**

- 8.1 Canada and British Columbia are committed to working together and avoiding disputes through government-to-government information

exchange, advance notice, early consultation, and discussion, clarification, and resolution of issues, as they arise.

- 8.2 If at any time either Canada or British Columbia is of the opinion that the other Party has failed to comply with any of its obligations or undertakings under this Agreement or is in breach of any term or condition of the Agreement, Canada or British Columbia, as the case may be, may notify the other party in writing of the failure or breach. Upon such notice, Canada and British Columbia will endeavour to resolve the issue in dispute bilaterally through their Designated Officials.
- 8.3 If a dispute cannot be resolved by Designated Officials within 90 days, then the dispute will be referred to the Deputy Ministers most responsible for ELCC, and if it cannot be resolved by them, then the federal Minister and British Columbia Minister shall endeavour to resolve the dispute.
- 8.4 If Canada or British Columbia has failed to comply with its obligations or undertakings and where British Columbia and federal Ministers are unable to resolve related disputes, a termination of the Agreement may be pursued in accordance with Section 10.

## **9.0 AMENDMENTS TO THE AGREEMENT**

- 9.1 This Agreement, including all attached annexes, may be amended at any time by mutual consent of the Parties. To be valid, any amendments shall be in writing and signed by the Parties.

### **9.2 Waiver**

Failure by any Party to exercise any of its rights, powers, or remedies under this Agreement or its delay to do so does not constitute a waiver of those rights, powers, or remedies. Any waiver by either Party of any of its rights, powers, or remedies under this Agreement must be in writing; and, such a waiver does not constitute a continuing waiver unless it is so explicitly stated.

## **10.0 TERMINATION**

- 10.1 Canada may terminate this Agreement at any time if the terms of this Agreement are breached by British Columbia and the parties were not able to resolve the issue in dispute under the dispute resolution processes under s. 8 by giving at least 6 months written notice of Canada's intention to terminate the Agreement. British Columbia may terminate this Agreement at any time if the terms of this Agreement are breached by Canada by giving at least 6 months written notice of British Columbia's intention to terminate the Agreement.

- 10.2 As of the effective date of termination of this Agreement under section 10.1, Canada shall have no obligation to make any further payments to British Columbia after the date of effective termination.

## **11.0 NOTICE**

- 11.1 Any notice, information or document provided under this Agreement will be effectively delivered or sent by letter, postage or other charges prepaid. Any notice that is delivered will have been received in delivery; and, except in periods of postal disruption, any notice mailed will be deemed to have been received eight calendar days after being mailed.

The address for notice or communication to Canada shall be:

Social Policy Directorate  
140 Promenade du Portage  
Gatineau, Québec K1A 0J9  
NC-SSP-ELCC-GD@hrsdc-rhdcc.gc.ca

The address for notice or communication to British Columbia shall be:

PO BOX 9770 STN PROV GOVT,  
Victoria, British Columbia V8W 9S5  
EarlyYears@gov.bc.ca

## **12.0 GENERAL**

- 12.1 This Agreement, including Annexes 1 and 2 comprise the entire Agreement entered into by the Parties with respect to the subject matter hereof;
- 12.2 This Agreement does not displace federal investments in ELCC, based on the Multilateral Early Learning and Child Care Framework, Annex 1, concluded on June 12, 2017.
- 12.3 This Agreement shall be interpreted according to the laws of Canada and British Columbia.
- 12.4 If for any reason a provision of this Agreement that is not a fundamental term is found by a court of competent jurisdiction to be or to have become invalid or unenforceable, in whole or in part, it will be deemed to be severable and will be deleted from this Agreement, but all the other provisions of this Agreement will continue to be valid and enforceable.
- 12.5 This Agreement is drafted in English at the request of the Parties. *Les parties ont convenu que le présent Accord soit rédigé en anglais.*

SIGNED on behalf of Canada by the Minister Families Children and Social Development \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
The Honourable Ahmed Hussen, Minister of Families, Children and Social Development

SIGNED on behalf of British Columbia by the Minister of Children and Family Development at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
The Honourable Mitzi Dean, Minister of Children and Family Development

## **Annex 1**

### **MULTILATERAL EARLY LEARNING AND CHILD CARE FRAMEWORK**

#### **Introduction**

Federal, Provincial and Territorial Ministers Most Responsible for Early Learning and Child Care agree<sup>1</sup> on the importance of supporting parents, families and communities in their efforts to ensure the best possible future for their children. Ministers also recognize that quality early learning and child care systems play an important role in promoting the social, emotional, physical and cognitive development of young children and can support positive lifelong benefits.

The early years of life are critical in the development and future well-being of the child and continuum of learning. During this period, experiences influence children's rapid brain development. These experiences create the foundation for supporting competencies, including but not limited to the ability to regulate emotions and enjoy positive interactions with others. These foundational skills in turn impact learning, behaviour and health today and in the future; this is particularly true for children who are vulnerable. The evidence is clear that there are positive relationships between quality early learning and child care, especially for less advantaged children, parental labour market participation, especially for women, and child developmental outcomes.

#### **A long term vision**

This Framework sets the foundation for governments to work toward a shared long term vision where all children can experience the enriching environment of quality early learning and child care that supports children's development to reach their full potential.

Ministers Most Responsible for Early Learning and Child Care agree that the further development of early learning and child care systems is one of the best investments that governments can make to strengthen the social and economic fabric of our country. Federal, provincial and territorial governments have important roles to play and provide investments to support the early learning and child care needs of families. They recognize the importance of collaborating with stakeholders and may consider advice of subject matter experts in achieving the long term vision. This Framework sets the foundation for collaboration and additional federal investments in provincial and territorial early learning and child care systems. Governments recognize that each jurisdiction has the responsibility

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<sup>1</sup> While the Government of Québec supports the general principles of the Early Learning and Child Care Framework, it does not adhere to the Framework as it intends to preserve its sole responsibility in this area on its territory. The Government of Québec expects to receive its share of the federal funding and will continue to invest significantly toward programs and services for families and children.

to develop systems that best responds to the needs and priorities of their communities.

## **A set of principles**

Guided by the following principles, this Framework supports a commitment by Governments to work towards investments to increase quality, accessibility, affordability, flexibility, and inclusivity in early learning and child care, with consideration for those more in need. Governments also recognize the diverse and multicultural fabric of Canada. Early learning and child care systems are respectful of language and culture and in particular recognize the unique needs of French and English linguistic minority communities and those identified by provinces and territories in their action plans, and of Indigenous peoples. Governments agree to work together over time to achieve broad long term goals for early learning and child care systems that are:

### High Quality

High quality early learning and child care:

- Provides rich early learning experiences and environments and views children as capable, competent learners who are full of potential.
- Values the importance of building strong, responsive and respectful relationships in which purposeful interactions support optimal learning for children.
- Recognizes the importance of qualifications and training for the early childhood work force.

### Accessible, Affordable and Flexible

- High quality early learning and child care should be flexible and broadly available to respond to the varying needs of children and families to promote early childhood development. Accessible, affordable and flexible early learning and child care also supports families participating in employment, education or training, and harder-to-serve populations.

### Inclusive

Inclusive early learning and child care systems respect and value diversity, which could include but is not limited to:

- Children and families who are experiencing vulnerability.
- Children with varying abilities.



## **Objectives**

Early learning and child care needs across the country are vast and diverse. Investments in early learning and child care benefit all children, particularly those who are vulnerable. In support of this Framework, the Government of Canada commits that the annual allocation until 2027-28 will be no less than the allocation of 2017-18. In keeping with the guiding principles of this Framework, Provinces and Territories will use investments allocated by the Government of Canada to further build early learning and child care systems by addressing local, regional and system priorities that have an impact on families more in need, such as lower-income families; Indigenous families; lone-parent families; families in underserved communities; those working non-standard hours; and/or families with children with varying abilities. The Government of Canada will work with provinces and territories over time to build long-term capacity in the early learning and child care sector.

## **Scope of investments**

To align with the guiding principles and advance the objectives set out above, funds provided under this initiative will build upon existing provincial and territorial investments in early learning and child care and will prioritize investments in regulated early learning and child care programs and services for children under age six.

- Regulated programs and services are defined as those that meet standards that are established and/or monitored by provincial and territorial governments.
- Early learning and child care programs and services are defined as those supporting direct care and early learning for children in settings including, but not limited to, regulated child care centres, regulated family child care homes, early learning centres, preschools and nursery schools.

Provincial and territorial governments will use federal funding under this agreement to support the delivery of early learning and child care systems that reflect their particular local and regional needs in support of the objectives of this Framework.

## **Innovation and Knowledge**

### Innovation

Early learning and child care systems are operating in increasingly complex and challenging environments. Innovative practices can help develop solutions that better meet the complex needs of children and families, and can support more integrated and higher quality early learning and child care systems. In keeping with the guiding principles and investment areas identified in the Objectives section of this Framework, as part of the funding provided under this Framework, provincial

and territorial governments will, as identified in bilateral agreements, promote, define and deliver identifiable innovative approaches to enhance the quality, accessibility, affordability, flexibility, and inclusivity of early learning and child care systems, with consideration for those more in need.

### Knowledge

Research, knowledge and information are the foundations of evidence-based decision-making and are critical to informed policy development, strong accountability and encouraging innovation. Governments agree to work together to share and release data as available, and knowledge, research, and information on effective and innovative practices in early learning and child care, to further support the development of and reporting on quality and outcomes. Governments also agree to work together to improve data collection and dissemination on key early learning and child care information for children under age six (e.g., number of children receiving subsidies, number of licensed early learning and child care spaces broken down by age of child and type of setting).

### **Working together**

Governments will work together in full respect of their responsibilities to their citizens, recognizing that Provinces and Territories have the primary responsibility for the design and delivery of early learning and child care systems. Each provincial and territorial government determines its own priorities for early learning and child care and the Framework provides flexibility on how Provinces and Territories will meet objectives as defined in this Framework.

This Framework acknowledges the successes achieved by jurisdictions in developing their early learning and child care systems. Governments will work together to ensure that concrete, incremental results are achieved and reported to Canadians. New federal funding under this Framework will not displace existing federal, provincial and territorial funding in support of early childhood development and early learning and child care.

This Framework is intended to be complementary to the proposed development of a separate framework for Indigenous early learning and child care. Governments acknowledge the mutual impact of both streams of investment into early learning and child care within Canada. While respecting the federal/Indigenous partnership in the proposed development and implementation of an Indigenous early learning and child care framework, federal, provincial and territorial governments agree to ongoing discussions regarding the two frameworks.

This Framework will form the basis for the development of subsequent early learning and child care bilateral funding agreements between the Government of Canada and Provinces and Territories. As part of bilateral funding agreements with each Province and Territory, action plans will demonstrate how federal investments under this Framework will be used and identify the associated

indicators from the list below. Action plans will also make specific reference to innovation. Federal funding will be provided following the approval and signature of bilateral agreements. The first bilateral agreements with Provinces and Territories will be for three years and will be updated and renewed as necessary.

The Government of Canada will make publicly available up-to-date early learning and child care bilateral agreements entered into with all Provinces and Territories under this Framework, including any amendments, by posting them on a Government of Canada website.

## **Public Reporting**

Governments will report annually on progress made in relation to the Framework and the impact of federal funding, while reflecting the priorities of each jurisdiction in early learning and child care. Reporting and data build knowledge and disseminates information to families, communities and service providers.

Governments agree to demonstrate progress based on the principles outlined in the Framework for early learning and child care programs set out in the Scope of Investments section of the Framework.

Provinces and territories will choose from the following list of indicators all those which reflect their areas of investment. Additional indicators may be agreed to under bilateral agreements:

## **High Quality**

- Number and proportion of providers with Early Childhood Education (ECE) certification and/or participating in professional development or training.
- Number and proportion of providers adopting innovative new tools, such as an evidence-based curriculum framework for early learning and child care.

## **Accessible, Affordable and Flexible**

- Number and percentage of children who have access to regulated child care spaces and/or early learning programs.
- Number of children receiving subsidies or other financial supports.
- Number of flexible early learning and child care arrangements (e.g., non-traditional arrangements such as flexible/irregular hours, weekend and emergency services; and geographic distribution of spaces) for harder-to-serve populations of children.

## **Inclusive**

- Number of children benefiting from programs and/or number of programs designed to serve children from diverse populations, which could include

but not limited to: children from French and English linguistic minority communities, Indigenous people off-reserve, recent immigrants and refugees.

- Number of children with additional support needs participating in early learning and child care programs.
- The number and proportion of children from low income and middle class families participating in early learning and child care programs.

Governments also agree to work together, and with stakeholders, towards the development of common quality and outcome measures that could be included in bilateral agreements in the future that could reinforce the Framework's long-term vision.

## Annex 2

### PART 1: BRITISH COLUMBIA'S ACTION PLAN FOR 2021-2022 to 2022-2023

#### Introduction

In 2017/18, BC announced its approach to improving and supporting early learning and child care (ELCC) and its plan to move towards a universal child care system over a 10-year period (2018-2028) through the [Childcare BC Plan](#). The Plan included a comprehensive set of cross-ministry actions to address the key pillars of improving the affordability, accessibility and quality of child care and promoting inclusive early care and learning that promotes and honours connections to culture and language.

Sharing the common set of principles and goals set in the [2017/18 ELCC Multilateral Framework](#), and a vision that all families in Canada have access to high-quality, affordable, flexible and inclusive early learning and care no matter where they live, BC and Canada signed a Bi-lateral ELCC Agreement (2017/18 through 2019/20 and extended up to March 31, 2022), to jointly improve affordability, accessibility, quality and inclusivity of early learning and care in BC.

Since 2017/18, BC has invested \$2.3 billion in Childcare BC – the most significant child care investment in BC's history. BC has taken significant steps towards a cohesive, publicly managed early learning and child care system. Some of the key BC initiatives have been jointly funded by Canada and BC, such as the \$10 a Day Sites, Early Childhood Educator (ECE) bursaries, Aboriginal Head Start programs and Supported Child Development Programs/Aboriginal Supported Child Development programs.

BC and Canada share the goal of transitioning to \$10 a day child care and reducing average parent fees for children 0-5 years by 50% (from 2019 levels) by December 2022, and are committed to working together towards achieving an average parent fee of \$10 a day for all regulated child care spaces for children 0-5 years by the end of this agreement (2025/26). The 2021/22 – 2025/26 Canadawide ELCC (CW-ELCC) Agreement includes this Action Plan which describes investments for the first two years of the Agreement (2021/22 and 2022/23). The CW-ELCC Agreement invests \$349.17M in 2021/22 and \$530.90M in 2022/23 towards supporting the establishment of an accessible, affordable, inclusive and high-quality Canada-wide child care system aiming to gradually decrease child care fees for parents towards the goal of \$10 a day, at the same time increasing accessibility and improving quality and inclusivity.

The funding allocations under this agreement will prioritize investments in licensed early learning and child care programs and services for children under age six (0-5 years old). Investments directed towards increasing the number of quality early care and learning spaces will support not-for-profit, public, Indigenous Government and family child care providers to grow these licensed spaces across the province, while supporting all existing providers through this

transition to a universal system and ensuring that families benefit from more affordable inclusive child care.

The current child care sector in BC is complex and supports children from birth to age 12 years or above in some cases. As a result and given that both levels of government are committed to working towards achieving an average fee of \$10 a day for 0-5 year olds, Canada and BC will create an officials-level Implementation Committee that will monitor progress towards this goal. In December 2022, this Committee will report to the Governments of Canada and BC with proposals on how to meet challenges and achieve shared objectives of inclusive, universal, accessible, high quality child care that costs \$10/day.

Key Points:

**Focus on \$10 a day:** This agreement demonstrates clear progress and commitment to the goal of \$10 a day child care.

**Common Commitment:** Canada and BC are committed to collaborating on inclusive, universal, accessible, affordable, quality child care for every family who wants or needs it, and this agreement is a clear demonstration of that collaboration.

**BC is a Leader in Child Care:** Over the past three and a half years, BC has been busy building a universal system. BC invests almost \$800M annually in its child care program. Based on this experience and demonstrated commitment, BC is well-positioned to partner with Canada to grow that program for BC families.

**Meaningful Savings for Parents:** In the Lower Mainland where child care spaces cost upwards of \$60 a day, reductions realized by this agreement will be significant and make life better for families.

**Address the Child Care Crisis for Families:** By combining accessibility and affordability in this agreement, with existing federal and provincial investments in the Childcare BC plan, parents will see increases in spaces, more inclusion, high quality with trained ECEs, and significant family savings.

**Stable Funding:** Canada and BC commit to stable funding to support child care over the course of the agreement.

**Monitor Progress:** To ensure that the agreement stays on track, an Implementation Committee will monitor progress towards the shared vision in consultation with stakeholders and report in December 2022 with proposals on how to meet challenges and achieve shared objectives of inclusive, universal, accessible, high quality child care that costs \$10 a day.

### British Columbia's Priority Areas for Investment

In 2019, there were approximately 275,000 children aged 0-5 years in BC out of a total population of over 5,000,000. Currently, BC has approximately enough child care spaces for 20% of children ages 0-12 years. The estimated average daily cost per space for children 0-5 years (when factoring in the current array of provincially-funded supports) is roughly \$40/day; however, thousands of families have been able to access child care for \$10/day or less since 2018 due to a combination of provincially and federally funded supports.

The Action Plan builds on the current 2,500 federally funded, and almost 4,000 provincially funded \$10/day spaces (announced under BC's Budget 2021 and planned for implementation in Fall 2021) providing \$10/day care. Families will see significant impacts through an expansion of \$10/day care to a total of nearly 12,500 by December 2022. In addition, average fees for BC parents with children 0-5 years will be reduced by 50 percent from 2019 levels. The combined impact of these two initiatives will reduce the daily average fee for children 0-5 years to an estimated \$21/day by December 2022.

Investment in affordability means increased demand for spaces, and under this Action Plan Canada and BC together will invest in the creation of more than 30,000 new spaces for ages 0 to 5 years by the end of this Agreement increasing to a total of 40,000 new spaces by 2027/28. These spaces will be focused in community investments that are long term and run by public, Indigenous Government and non-profit organizations. Combining some federal contributions to provincial contributions will provide expanded supports for children with support needs, and Indigenous-led child care.

BC's priority areas of investments under this two-year Action Plan are:

#### *1. Improving Affordability*

- a. BC and Canada agree on the goal of \$10 a day child care and will work together towards achieving an average parent fee of \$10/day for all regulated child care spaces for children age 0-5 by the end of the five-year agreement. By December 2022, British Columbia will create an immediate impact for families by increasing \$10/day spaces to 12,500, and reducing average fees for BC parents by 50 percent, for a combined impact of \$21/day.

#### *2. Increasing Access*

- a. Create a total of 30,000 new regulated spaces for children age 0 – 5 years by 2025-26, increasing to 40,000 new regulated spaces by 2027-28. These new spaces will be focused on community investments that are long term and run by public and non-profit institutions; and
- b. Investment in child care space planning and design, including consideration of a modular strategy, to facilitate accelerated space creation in Year 3 (2023/24) and beyond.

### 3. *Supporting Quality and Inclusive Care*

- a. Expanding access to Indigenous-led child care options for more BC families; and
- b. Expanding access to Supported Child Development and Aboriginal Supported Child Development to enable increased access to inclusive child care

The continued investments made possible by this federal-provincial partnership will not displace existing provincial funding. Combining some federal contributions to provincial contributions will provide expanded supports for children with support needs, and Indigenous-led child care.

BC will continue its current investments across the continuum of ELCC programs and services, including the provincial initiatives and priorities outlined in the Childcare BC Plan. These initiatives will continue to support the Province's commitment to transitioning to a universal child care system that will provide affordable, accessible, quality and inclusive child care to families across BC.

BC has also committed to supporting Indigenous-led services that are designed, delivered, governed, and administered by Indigenous people as a critical part of the transition to universal child care. The [2020 provincial Ministerial Mandate Letter](#) states that: "the government and every ministry must remain focused on creating opportunities for Indigenous peoples to be full partners in our economy and providing a clear and sustainable path for everyone to work toward lasting reconciliation." Recognizing the investments and advancements made through Indigenous ELCC plan, BC will continue to engage with the Indigenous rights holders to support the Indigenous-led child care.

BC Investments Under the CW-ELCC Agreement in 2021/22 and 2022/23

### **Priority #1: Improving Affordability**

#### *Context*

To address affordability, the B.C. government allocated \$630 million over three years (Years 1 through 3 of the Childcare BC Plan) to make child care more affordable for parents using licensed child care, particularly for infants, toddlers, and 3- to 5-year-old children, which are the most expensive types of care. As part of this investment, the Child Care Fee Reduction Initiative (CCFRI) and the Affordable Child Care Benefit (ACCB) were introduced in 2018.

#### *Child Care Fee Reduction Initiative (CCFRI)*

The CCFRI is delivered through child care providers' operating funding agreements and is optional to eligible licensed child care providers.<sup>2</sup> Under

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<sup>2</sup> Providers can choose whether they would like to apply for this optional initiative in addition to their base operating funding each year when they renew their agreement with the Ministry. Currently, the CCFRI supports over 64,000 licensed 0-5 year child care spaces. On average in 2020/21, 94% of eligible



the CCFRI, approved licensed providers receive the following monthly amounts for full-time care, which they are required to pass along to parents (regardless of the family's household income) in the form of reduced parent fees<sup>3</sup>:

- \$350/month for group infant/toddler care (under 36 months);
- \$200/month for family infant/toddler care (under 36 months);
- \$100/month for group care for children aged 3 years to Kindergarten; and
- \$60/month for family care for children aged 3 years to Kindergarten.

In addition, providers approved to opt in to the CCFRI receive added funding (an additional 20% of their base funding for CCFRI enrolled spaces) to offset inflationary cost pressures and any increased administrative costs associated with enrolment in the program.

To ensure the fee reduction is passed along to families as intended, the Province reviews each provider's recent and planned fee increases at the time of their application. CCFRI facilities must commit to not raising parent fees beyond any increases the Province has previously approved.

#### Affordable Child Care Benefit (ACCB)

The ACCB is an income-tested program providing up to \$1,250 per month<sup>4</sup>, per child, to help eligible low-and middle-income families with their child care costs. The benefit is available to eligible families earning up to \$111,000/year (pre-tax)<sup>5</sup> with a valid reason for requiring child care<sup>6</sup> and is provided on a sliding scale based on household income. The amount of the benefit received depends on a number of factors including the family's adjusted annual income, family size, ages and number of children, type of child care accessed, and the number of days care is required. Recognizing the critical role of early care and learning services in identifying and preventing child and family vulnerabilities, the ACCB makes child care more affordable for eligible families that need child care.

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spaces were offering reduced rates to families through the CCFRI, with the Province providing more than \$300 million since the program launched in April 2018.

<sup>3</sup> Amounts listed are for full-time care. Part-time care is eligible for a pro-rated benefit.

<sup>4</sup> Young parents attending a Ministry-approved Young Parent Program and parents who have had child care arranged or recommended under the *Child, Family and Community Service Act* may be approved to receive a higher benefit amount to support their access to child care.

<sup>5</sup> Families that earn more than \$111,000 may also qualify depending on family composition and there are limited situations in which an income-test is not applied if the child(ren) is/are in specific arrangements under the *Child, Family and Community Service Act*, in order to enable a child's access to child care.

<sup>6</sup> Reasons for requiring child care include being employed/seeking employment, attending school or an employment-related program, having a medical condition that interferes with their ability to care for their child or to enable their child to attend a licensed preschool.

On average over 32,000 children received an ACCB payment every month in 2019/20, with fewer between April-Dec 2020, likely due to parents not accessing child care during the COVID-19 pandemic.

#### Universal Child Care Prototype Sites

Through B.C.'s Universal Child Care Prototype Site initiative (funded through the Canada-BC bilateral ELCC Agreement), approximately 2,500 licensed child care spaces have been converted into low-cost spaces at existing child care facilities since 2018. Over fifty sites across the province now offer full time, regular hours child care for a maximum parent fee of \$10/day or \$200 per month, with lower income families eligible for the provincial ACCB paying even less, or nothing at all.

In the April 20, 2021 provincial Budget Speech, the BC Government announced a provincially-funded expansion of the \$10/day initiative, to add to the federally-funded spaces and more than double the number of \$10/day spaces across the province in 2021/22.

#### Alignment of CW-ELCC and Childcare BC goals

BC and Canada agree on the goal of \$10 a day child care, and will work together towards achieving this goal for ages children aged 0 to 5 within five years. The ability to afford child care remains a significant barrier for families in BC. The 2020/21 average fees for group/centre-based care varies from \$1,000/month per child for infant care (after the \$350/month CCFRI fee reduction) to \$470/month per child for before/after school care.<sup>7</sup> The introduction of CCFRI in 2018 rolled back child care fees; however, as fees continue to rise each year due to inflation, increased wages, etc., fees for some care types have returned to pre-CCFRI levels.

The provincial mandate provided to BC's Minister of State for Child Care in November 2020 includes the following commitments regarding child care affordability:

- *"Continue to implement Childcare BC, our government's ten-year plan to provide universal, affordable, accessible, quality and inclusive child care to every family that wants or needs it, with the goal of no family paying more than \$10 a day for licensed childcare when fully implemented."*
- *"Continue to improve the affordability of child care, including by working closely with the federal government to expand the number of \$10 a day child care spaces across British Columbia."*

The use of federal CW-ELCC funding to reduce out-of-pocket parent fees for ELCC spaces for children under age six aligns with BC's goals under the

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<sup>7</sup> According to the Canadian Centre for Policy Alternatives' (CCPA) seventh annual report (released in March 2021), cities in BC's lower mainland and Interior ranked between 7th and 30th out of the 37 Canadian cities surveyed by cost of fees for child care for infants, toddlers and preschool-age children.

Childcare BC Plan. The Childcare BC Plan also encompasses increased affordability for *all* licensed child care for children age 0-12 years.

#### *Mechanism*

BC will use two primary mechanisms over the five years of the Agreement to meet the CW-ELCC's affordability target:

- expanded access to \$10/day child care through the conversion of existing child care spaces and facilities to a \$10/day operational funding model; and
- enhancements to BC's fee reduction program, the CCFRI, to reduce out-of-pocket child care fees to families with children 0-5 years.

Using these two mechanisms in tandem, and with CW-ELCC funding invested in conjunction with ELCC and provincial funding, allows for a near-universal reduction in parent fees through CCFRI for children 0-5 years, along with accelerated progress towards BC's future system of \$10/day care. This strategy aligns with BC's intent under the Childcare BC Plan to convert the child care sector over time to a \$10/day model.

#### **1. Expanded access to \$10/day child care**

Currently, BC supports more than 50 facilities (representing about 2,500 spaces) through funding under the ELCC Bilateral Agreement to provide child care to families, regardless of household income, for a maximum \$10 per day, per child. BC's Budget 2021 commits to the conversion of an approximate additional 3,960 existing child care spaces to \$10/day. These spaces will be available to families for \$10/day in Fall of 2021/22, which will bring the total number of provincially and federally funded spaces at \$10/day child care facilities to roughly 6,460.

In addition to these investments, BC will invest \$104.8M in CW-ELCC funding starting in 2022/23 to increase the number of child care facilities that are designated to provide \$10/day care, with a priority to non-profit, public, Indigenous Government, and home-based child care providers.

Approximately 5,980 existing spaces will be selected to receive increased operating funding and be converted to a \$10/day in 2022/23, bringing the total of both federally and provincially funded \$10/day spaces to nearly 12,500 by December 2022. Facilities serving vulnerable populations and diverse populations will be prioritized, as will programs serving children 0-5 years. This will be informed through data collection and local planning to determine the facilities serving vulnerable and diverse populations that include Indigenous communities and diverse populations.

The nearly 12,500 \$10/day spaces that will be available by the end of this two-year Action Plan represents approximately 16% of all 0-5 spaces in the province. These spaces at designated \$10/day facilities are in addition to the thousands more families who receive child care for \$10/day or less through BC's other affordability mechanisms (CCFRI and ACCB).

## 2. CCFRI Enhancements

With \$1.039B in CW-ELCC investments over five years under this Action Plan, BC will expand the CCFRI to **increase the parent fee reduction amounts to reduce out of pocket costs for parents (from 2019 levels) by approximately 50%**. Currently, CCFRI parent fee reductions range from \$60-\$350 per space, per month, with the percentage of the median parent fee covered by CCFRI ranging from about 7% for home-based 3-5 year spaces up to about 28% for group/centre-based infant/toddler spaces. During 2022, BC will enhance system capacity to support the CCFRI and will increase the CCFRI parent fee reductions in December 2022 such that average parent fees for children 0-5 years are reduced by roughly 50% (from 2019 levels).

### Impacts

<b>Table 1. Indicator of Success: Reduced child care fees for families</b>				
<b>Target</b>	<b>2021/22</b>	<b>2021/22 Investment (\$M)</b>	<b>2022/23</b>	<b>2022/23 Investment (\$M)</b>
Number of \$10/day spaces at \$10/day sites (ELCC Federal Investment)	<b>2,500</b>	\$31.0	<b>2,500</b>	\$31.0
Number of \$10/day spaces at \$10/day sites (Provincial Investment)	<b>3,960</b>	\$25.65	<b>3,960</b>	\$42.63
Number of \$10/day spaces at \$10/day sites (CW-ELCC Federal Investment)	-	-	<b>5,980</b>	\$104.8
Total Number of \$10/day spaces at \$10/day sites (combined provincial + federal)	<b>6,460</b>	\$56.65	<b>12,500</b>	\$178.43
Percent of licensed 0-5 years spaces providing \$10/day care at \$10/day sites	9%		16%	
Average reduction in parent fees by December 2022	-	-	50%	

## **Priority #2: Increasing Access**

### *Context*

Like much of the rest of Canada, BC has a shortage of child care spaces. Currently, BC has a 20% coverage rate for children ages 0-12, up from 18% in 2018/19.

BC has a suite of space creation initiatives as part of the ten-year Childcare BC plan launched in 2018. The New Spaces Fund is the primary space creation program, providing grants to applicants to support equipment purchases, renovations and ground-up builds that will create new licensed child care spaces. Additionally, the Province has a Start-Up Grants program, providing incentive funding for home-based child care providers to become licensed. BC has also supported child care space creation through Ministry of Education's Neighbourhood Learning Centres, while the Federal government has supported space creation through the Union of BC Municipalities and the Aboriginal Head Start program.

Through the first three years of Childcare BC, the province has funded the creation of almost 26,000 child care spaces. While BC has been successful in creating new child care spaces, the approach has been undertaken through an application-driven, rather than a centrally planned, approach.

An additional consideration in space creation is ensuring there is adequate workforce to staff the newly created spaces. Even at the current rate of growth, the ECE workforce has struggled to keep pace. With more new spaces due to become operational in the next year, the pressures on the workforce are anticipated to grow. Space creation needs to be coupled with workforce supports to ensure an adequately trained and fairly compensated workforce.

Through this Action Plan, BC will continue to expand the number and availability of child care spaces in alignment with federal priorities for new space creation by not-for-profit, public, Indigenous Government and family-based child care providers. BC will work toward inclusive and equitable spaces that are responsive to BC's diverse communities, including children with disabilities and/or support needs, Indigenous children, Black and other racialized children, children of newcomers, and official language minorities through coordinated planning and design. The development of a modular construction strategy and consideration for child care space when government builds a new school, hospital or other capital project would aim to increase equitable access to child care spaces. Purpose designed child care modular construction could support more rapid creation of high quality, inclusive child care spaces.

### *Mechanism*

In both 2021/22 and 2022/23, space creation with Federal funding will be achieved primarily through the New Spaces Fund program. Grants will support the creation of new Indigenous Government, not-for-profit and public child care spaces, with federal funding used to support space creation for

children ages 0-5. Grants will continue to support equipment purchases, renovations and ground-up builds that will create new licensed child care spaces. Projects will continue to be prioritized for funding based on need, including a focus on projects serving vulnerable children and children from diverse populations such as children with disabilities and/or support needs, Indigenous children, Black and other racialized children, children of newcomers, and official language minorities.

Additionally, the Province will continue to support other space creation initiatives such as the Start-Up Grants program to support family child care providers to become licensed and Neighbourhood Learning Centres, which will also contribute to increased access to licensed child care in BC. The Province is also committed to considering the creation of child care spaces when building a new school, hospital, or other capital project.

Over this period, funding will also be used for targeted investment in child care space planning and design, including a modular strategy, to facilitate accelerated space creation that meets the needs of BC's diverse populations and communities in outward years.

#### *Impacts*

In 2021/22- 2022/23, the federal investment in child care space creation is estimated to create up to 5,900 new child care spaces. Over the same period, provincial investments are estimated to create up to 3,900 new child care spaces for children 0-5 years. In this same period, it is anticipated the majority of child care spaces already funded by the Province but not yet completed at the time of this Agreement will also become operational.

Additionally, the investment in child care space planning and design (including a modular strategy), continued investments in the workforce, and the development of a regional approach to space creation planning will lay the ground work to accelerate space creation in future years to work toward the shared goal of high-quality, affordable, flexible and inclusive child care spaces available for all BC families and children who want or need them.

<b>Table 2. Indicator of Success: Improved access to licensed child care settings</b>				
<b>Target</b>	<b>2021/22</b>	<b>2021/22 Investment</b>	<b>2022/23</b>	<b>2022/23 Investment</b>
Increase the number of Indigenous Government, non-profit, public and/or family child care spaces for children ages 0-5	~850 CW-ELCC funded	\$35.2M	~5,000 CW-ELCC funded	\$178.7M
Development of options and	Issue Request for Proposals	\$1.2M	Options and costing for	

costing for child care design standards and modular designs	to develop options for child care design standards and modular designs		designs are developed	
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### Priority #3: Supporting Quality and Inclusive Care

#### *Context*

BC recognizes the value of the early care and learning workforce and that a qualified, well supported workforce is key to a successful system. The *Community Care and Assisted Living Act* and Child Care Licensing Regulation set out staffing requirements in licensed child care programs across the province, as well as education/qualification requirements for staff positions.

A key goal under Childcare BC is to improve the quality of BC's child care system by improving education and development opportunities for Early Care and Learning professionals (including Early Childhood Educators), as well as addressing long-standing issues around wages and recruitment in the sector. Recognizing that wages and benefits are important for ensuring an adequate supply of workforce, BC will develop wage grid for Early Childhood Educators.

BC launched the *Early Care and Learning Recruitment and Retention Strategy* in September 2018, and has made significant investments in workforce development through the Childcare BC Plan, including through the Canada-BC ELCC Agreement funding between 2017 and 2021, and the upcoming Canada-BC ELCC Agreement 2021 - 2025 which includes Annex 3 (the Early Childhood Workforce Funding for 2021/2022). Provincial investments have included (but are not limited to) over \$51M to support wage enhancements for more than 13,000 educators almost \$9M to support increased access to post-secondary ECE programs by creating over 1,000 additional student spaces over 4 years, as well as federal investments in more than 8,400 bursaries for individuals to pursue or upgrade their ECE education, and various professional learning supports. The programs and impacts from these investments, as well as from new investments through the federal Early Childhood Workforce Funding for 2021/22 will continue through this agreement.

Additionally, B.C. updated the Early Learning Framework in 2019 to recognize the new realities of children, families and communities. The new framework was developed in collaboration with early childhood educators, primary teachers, academics, Indigenous organizations, Elders, government and other professionals. It includes several key changes, including an expanded focus to children from infancy to eight years of age (previously five years of age); increased focus on reconciliation and Indigenous worldviews,

and inclusive practices; connects with new K-12 curriculum, core competencies and primary program principles; focuses on integrating theory with practice; and updated the inquiry questions to address all early learners.

## **Diversity**

BC is committed to developing a plan and making progress towards ensuring children experiencing vulnerability and children from diverse populations have equitable access to regulated child care spaces, in proportion to their presence in the population. During the expansion of the \$10/day initiative, facilities serving vulnerable populations and diverse populations will be prioritized, as will programs serving children 0-5 years.

### *Inclusive Child Care*

#### *Context*

BC is moving toward a quality, universal child care system that is inclusive of all children, including children who have support needs.<sup>8</sup> Inclusive child care means that children of all abilities: (1) have equitable access to quality child care; and (2) are supported in learning through play along with other children in any child care program of their choice.

Supported Child Development (SCD) and Aboriginal Supported Child Development (ASCD) are community-based programs that offer a range of consulting and support services to children, families, and child care centres so that children with support needs can participate in fully inclusive child care settings. The Aboriginal Supported Child Development program provides these supports in a culturally relevant and meaningful way.

BC's Budget 2021 announced that approximately 2,000 more families will be able to access SCD/ASCD programs. Additionally, some children who are already receiving support from these programs may receive increased hours of support. The Canada-BC ELCC Agreements (2017/18-2021/22) have provided an enhancement of \$10M annually to SCD and ASCD programs to reduce wait times for families and provide increased service. This funding has increased the number of children being served each month and increased the number of direct service hours for children already on SCD/ASCD caseload. However, these programs continue to be oversubscribed and reports indicate that children may wait up to a year for service, limiting their participation in child care. Demand for these programs continues to grow as the number of child care spaces grows. Additionally, the population of children with support needs is increasing.

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<sup>8</sup> "Children with support needs" refers to children who are experiencing, or who are at risk of, developmental delay or disability and who are requiring support beyond that required by children in general. The developmental delay or disability may be in one or more of the following areas: physical, cognitive, social, emotional, communicative, or behavioural. Children may be experiencing, or at risk of, developmental delay or disability as a result of neurobiological factors or as a result of social/environmental factors.



In 2019/20, an average of 7,166 children ages 0-18<sup>9</sup> received SCD or ASCD services per month. Data from Children and Youth with Special Needs Services indicate there are more than 23,700 children ages 0-18 who would qualify with a high degree of confidence based on diagnosis. This data indicates an unmet need of as many as 16,500 (0-18) spaces, but there many more children without a diagnosis who would also qualify for SCD/ASCD services. Early Development Instrument (EDI) data indicate that 1 in 3 kindergarten children in BC are experiencing vulnerability in one or more domains of child development. It is estimated that 1 in 10 children require some level of enhanced support to participate in child care.

BC's 10-year Child Care Plan specifies that universal child care will be inclusive and accessible to everyone. The current mandate letter provided to the Minister for State confirms the continued direction to provide quality and inclusive child care to every family that wants or needs it.

#### *Consultation*

From 2019 to 2020 BC convened an Inclusive Child Care Reference Group to inform the initial development of a conceptual model for Inclusive Child Care and to inform engagement activities. In June 2020, BC hosted 6 virtual sessions with 50 participants representing key stakeholder groups and families to gather feedback on the model.

#### *Mechanism*

BC is developing a conceptual model for Inclusive Early Learning and Child Care, which takes a pyramid-model approach with three layers of supports: Universal Supports, Enhanced Supports, and Concentrated Supports. The Universal Supports tier involves building a foundation for inclusion across the child care system, enabling all child care staff to contribute to providing a more inclusive environment for all children in their program. Professional development opportunities are a key component of this foundation. Previous ELCC funding enabled the development of a suite of toileting resources through CanAssist to assist child care providers in supporting inclusive toilet learning. CanAssist is also developing an Inclusive Child Care Training Module through ELCC funding.

Leveraging the expertise of the Supported Child Development and Aboriginal Supported Child Development Program is also a key component in building a foundation of inclusion across child care providers. Currently SCD and ASCD programs have limited capacity for providing education and training opportunities to child care staff as stretched available resources are aimed at meeting direct service needs (consultant and support worker services). Additionally, SCD and ASCD are facing recruitment and retention challenges for support worker positions related to wage.

New investments under the CW-ELCC Agreement will enable SCD and ASCD programs to have more flexibility to meet local needs through the

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<sup>9</sup> SCD/ASCD prioritizes support children under 6, followed by children ages 6-12. Children ages 13-18 may be served on a case-by-case basis through an exceptions process.

following priorities: (1) supporting recruitment and retention of support workers; (2) building capacity within child care providers through education, training and consultation; and (3) expanding service, increasing the number of children and families who have access to inclusive child care:

- 2021/22 – \$5M providing local SCD/ASCD programs with the flexibility to focus on one or more of the priorities identified above
- 2022/23 – \$15M allowing expansion of service to address increase in demand resulting from increased child care spaces

Although the current programs are not limited to children under the age of six, it is estimated that almost 70% of the current program resources are utilized to support these younger children. SCD funds are delivered to contracted agencies within communities, and these agencies determine how to allocate the resources based on local needs. Under these programs, children under the age of six are given higher priority than school-age children in the allocation of resources/supports.

### *Impacts*

#### Expanding Supported Child Development and Aboriginal Supported Child Development

In 2017/18 a baseline of 5,975 children were served by SCD each month. With the \$10M ELCC investment, by 2019/20 an average of 7,166 children were served each month, which is an increase of 1,191 children per month.

The investment in 2021/22 is expected to enable recruitment and retention of SCD/ASCD support workers, SCD/ASCD emphasis on capacity building in the child care sector, and some expansion of the number of children served (estimated at an additional 238 children).

The further investment in 2022/23 is expected to enable an average of 1,190 more children receiving service each month, enabling their participation in inclusive child care. Additionally, children already on SCD/ASCD caseload are expected to receive increased hours of direct service.

<b>Table 3. Indicator of Success: Enhancing access to inclusive child care settings</b>				
<b>Target</b>	<b>2021/22 Impacts</b>	<b>2021/22 Investment</b>	<b>2022/23 Impacts</b>	<b>2022/23 Investment</b>
SCD/ASCD Enhancement	<ul style="list-style-type: none"> <li>• An estimated 238 children will receive SCD/ASCD services</li> <li>• Increased recruitment and retention of SCD/ASCD support workers</li> <li>• Increased capacity within childcare providers through education, training and consultation; professional development opportunities are a key component of this foundation.</li> </ul>	\$5M	<ul style="list-style-type: none"> <li>• An estimated 1,190 more children will receive SCD/ASCD services</li> <li>• Children already on SCD/ASCD caseload will receive increased hours of service</li> <li>• Expansion of service to address increase in demand resulting from increased childcare spaces.</li> <li>• Continued capacity development within child care providers through education, training, consultation and professional development</li> </ul>	\$15M

## *Indigenous Child Care*

### *Context*

The Indigenous population is the fastest growing demographic in Canada. Between 2006 and 2018, the Indigenous population grew by 42.5%, which is more than four times faster than the rest of the population (StatCan 150 Census). In the next two decades, the Indigenous population is likely to exceed 2.5 million persons. In BC, approximately 5% of BC's population is Indigenous but 10.4% of children aged 0-6 are Indigenous. This means at least 2,300 new Indigenous childcare spaces are needed by 2026 to keep pace with the demand tied to population growth.

Under the federal ELCC 2017-2021 investments, \$10M in capital and operational funding was allocated to the expansion of Aboriginal Head Start (AHS) on- and off-reserve in BC. This investment directly supported the accessibility, affordability, and quality pillars of the Childcare BC plan and created over 600 AHS spaces by 2021. This expansion of AHS aligns with the Indigenous Early Learning and Childcare Framework – through AHS programs, Indigenous children have the opportunity to experience high-quality, culturally rooted early learning and child care programming.

The 2021 provincial budget has also allocated \$8.66M to transition 400 Indigenous childcare spaces to AHS spaces to enable no-fee, Indigenous-led child care for Indigenous families. This addresses affordability and quality, as it is well-documented that AHS programs provide culturally-based, wraparound services for families that include family support and inclusion. Work on this initiative will begin in summer 2021.

BC continues to allocate \$1.27M annually to the Indigenous Childcare Planner and Métis Family Connections Navigator positions. These positions, created in 2018, support Indigenous families to access early years and childcare services by performing various roles including direct connection of families to services, engagement with families and providers on childcare needs and gaps, and direct engagement with communities. These positions continue to work to inform the direction of universal childcare in BC to ensure it meets the distinct needs of Indigenous children and their families.

BC has also created the *Indigenous Early Years Cultural Safety Resource Guide* (2018) to help early childhood educators who work with Indigenous children, families, and communities find appropriate and meaningful resources that will increase their ability to provide culturally safe and respectful care.

Engagement with Indigenous providers and Indigenous students has indicated that recruitment and retention of Indigenous ECEs is challenging due to a variety of factors including cost of education, travel to and from communities to access education and high costs of living associated with living away from home (e.g., transportation, childcare, etc.). BC continues to work with Indigenous partners to find appropriate ways to support recruitment and retention of Indigenous childcare staff, including prioritizing

and supporting Indigenous students to receive bursary funds to support their post-secondary success. BC will also use funds provided through the Government of Canada Early Childhood Workforce Funding for 2021/22 to invest in the development of professional learning that supports Indigenous educators in their professional learning journeys and helps non-Indigenous educators in their work to provide more culturally safe environments for Indigenous children and families.

#### *Commitments to Reconciliation*

The Childcare BC plan specifies that Indigenous children and families are to have full access to all childcare system enhancements and that government has an obligation to ensure Indigenous children, families, and communities have access to Indigenous-led child care that meets their specific needs.

The adoption of BC's *Declaration on the Rights of Indigenous Peoples Act* (2019) mandates BC to ensure all legislation comes into alignment with the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). Implementation of the Childcare BC plan must meet the needs of Indigenous families, ensure that childcare for Indigenous children and families is Indigenous-led, and adhere to articles 3, 5, 11, 14, 18, 19, 21 and 23 of UNDRIP (Table 1.).

#### *Expanding access to Indigenous-led child care*

Engagement to date with Indigenous parents, Indigenous childcare providers, and Indigenous experts in the field of childcare direct the Province to build on what is working. This includes understanding the value of an Indigenous-led approach and how Indigenous-led childcare is essential for Indigenous children and families as a connection to their cultures. Additionally, Indigenous families identified that all childcare in BC needs to be culturally safe for Indigenous families for the universal childcare system to work for them. Indigenous parents and experts reported that there is no single model of Indigenous-led childcare that will work for all families and children – while we build on what is working we must also ensure that there is choice available to Indigenous families that meets their distinct needs.

The proposed initiatives in this action plan continue to align with this direction:

- Building on AHS continues to build on a model of Indigenous-led childcare that is valued and works for Indigenous communities.
- Providing funds for Indigenous leadership to engage with rightsholders to plan for Indigenous-led childcare in BC ensures that the process of creating new childcare spaces and programs is Indigenous-led and will meet the unique needs of Indigenous families.
- Creating a Métis CCRR creates a distinctions-based, Indigenous-led process to support the distinct needs of Métis families in BC.
- All these initiatives work to ensure that Indigenous children and families can access important programs that support connection to culture and language.

### *Mechanism*

The long-term goal under this CW-ELCC Agreement is to support Indigenous families' access to affordable low/no-fee Indigenous-led child care. This aligns with BC's goals under the provincial Childcare BC plan to develop quality, universal, affordable and accessible childcare for Indigenous families and communities over a ten-year period.

<b>Table 4. Summary of CW-ELCC Supports for low/no-fee Indigenous-led child care</b>		
<b>Fiscal Year</b>	<b>Initiative</b>	<b>Cost (\$M)</b>
<b>2021-2022</b>	Operational funds to support 400 spaces to transition to AHS model	\$8.66 (operational)
	Minor capital funds to improve quality of transitioned AHS spaces	\$1.34
	Métis CCRR program	\$0.5
	Funding to support Indigenous governments engaging with rights-holders on Indigenous-led childcare.	\$0.5
	<b>2021-2022 TOTAL:</b>	<b>\$11.0</b>
<b>2022-2023</b>	Operational funds to maintain 400 transitioned AHS spaces from 21/22	\$8.66 (operational)
	Minor capital funds to improve quality of provincially and federally funded transitioned AHS spaces and to provide capital project expertise	\$1.84
	Capital funding to create 600 new Indigenous-led spaces across the province informed through engagement in 2021-22.	\$30.0
	Continue funding Métis CCRR program	\$0.5
	Continue funding to support Indigenous governments engaging with rights-holders on Indigenous-led childcare.	\$0.5
	<b>2022-2023 TOTAL:</b>	<b>\$41.5</b>

### *Indigenous-led Child Care*

Families accessing AHS are provided with no-fee culturally based childcare offering family support and inclusion. AHS's wraparound supports provide a comprehensive, holistic, family-driven way of approaching childcare. Wraparound supports include enhanced staffing for inclusion and family supports as well as the provision of food, transportation and cultural teachings. Wraparound supports put the child and family at the centre of services, with programs relying on support, guidance and active participation from parents and Elders to provide a culturally appropriate curriculum.

With new CW-ELCC investments under this Action Plan, BC will address affordability for families by increasing the number of AHS sites through the

provision of operational funding to approved Indigenous-led organizations serving Indigenous families.

An ongoing investment starting in 2021-22 of \$10M will provide an additional 400 affordable or no-fee AHS spaces for Indigenous families by 2023-24 in partnership with the First Nations Health Authority (FNHA) and the Aboriginal Head Start Association BC (AHSABC). \$8.66M of this investment provides annual operational funds to support these partners in implementing an Indigenous-led process for the allocation of funds, implementation, and Indigenous-led evaluation of these spaces. \$1.34M in minor capital funds is allocated to support programs transitioning to AHS in 2021-22 and 2022-23 to ensure that repairs and renovations to support program quality can be completed in a timely way.

Additionally, \$30.0M is allocated in 22-23 to provide capital funding for the creation of approximately 600 new Indigenous-led, no-fee child care spaces. Design and implementation of these spaces will be informed by engagement with Indigenous rightsholders in 2021-22 – these spaces may be AHS spaces, or another model of Indigenous-led space determined by Indigenous community needs. This investment increases the quality, accessibility and affordability of childcare for Indigenous families and provides access to culture and language for Indigenous children and families across the province once these spaces become operational. Operational funding will be required by 25-26 to operate these spaces – it is critical that Indigenous communities have secure, stable operational funding for new spaces created.

In 2022-23, \$0.5M is allocated to support minor capital projects for provincial and federally funded childcare spaces that have transitioned to AHS spaces, and to provide capital project management expertise to the 600 new Indigenous-led spaces being created. This investment supports an equitable investment of capital funds, supporting nations and organizations with less capacity to manage capital projects to apply to create childcare spaces based on their community needs.

#### *Indigenous-led Engagement with Rightsholders*

The Childcare BC plan specifies that Indigenous children and families are to have full access to all childcare system enhancements and that government has an obligation to ensure Indigenous children, families, and communities have access to Indigenous-led child care that meets their specific needs. This Action Plan includes \$0.5M allocated annually beginning in 21/22 to support Indigenous rightsholders in the development of Indigenous-led early learning and child care.

The BC Aboriginal Childcare Society (BCACCS) and Métis Nation BC (MNBC) are the BC provincial leads on implementation of the Indigenous Early Learning and Childcare (IELCC) Framework. The province is committed to working closely with these organizations, and other Indigenous organizations to co-develop a plan to consult with rightsholders across the

province to ensure the universal childcare system will meet their distinct needs.

#### *Métis CCRR*

Métis specific Child Care Resource and Referral (CCRR) is needed to support Métis families' access to early care and learning services and supports. A Métis-specific CCRR will support B.C.'s distinctions-based approach to Indigenous-led childcare. Broad service deliverables would include training, consultation and collaboration, communication, outreach, information and referral for families, providers, ECEs and other community members. Specifically, this could include training, consultation and resources that support safe environments and healthy child development for Métis children, parents, caregivers and communities; assistance for individuals to access funding available through the Childcare BC plan; registration/recruitment of License-Not-Required providers; and development of a Métis-specific lending library and culturally focused ELCC computer resources, training and support.

Taking a distinctions-based approach to service delivery for Indigenous families as articulated in the *Indigenous Early Learning and Child Care Framework*, \$0.5M in ongoing funding will be allocated beginning in 21/22 to operate a CCRR program to meet the specific and distinct needs of Métis families across BC.

A Métis-specific CCRR will also help strengthen the partnership between MNBC and the Province to share learnings, needs, and trends related to childcare expansion and capacity across Métis communities. The CCRR would also work collaboratively with the Métis Early Years Navigators and CCRR Regional Coordinators to provide effective delivery of CCRR services to Métis children and families throughout the province, the ultimate goal being improved knowledge and capacity for providing ELCC services in Métis communities.

#### *Impacts*

<b>Table 5. Indicator of Success: Improved access to Indigenous child care</b>				
<b>Target</b>	<b>2021/22 Impacts</b>	<b>2021/22 Investment</b>	<b>2022/23 Impacts</b>	<b>2022/23 Investment</b>
Métis CCRR	A Métis CCRR that serves the distinct needs of Métis children and families across the province	\$0.5M	A Métis CCRR that serves the distinct needs of Métis children and families across the province	\$0.5M
Funds to support Indigenous rights holders in the	Consultation with Indigenous rightsholders led by Indigenous leadership has	\$0.5M	Consultation with Indigenous rightsholders led by Indigenous leadership has	\$0.5M



development of Indigenous-led early learning and child care	informed the creation and implementation of universal child care across BC that meets the needs of Indigenous children and families.		informed the creation and implementation of universal child care across BC that meets the needs of Indigenous children and families.	
Transitioning 400 Indigenous-led Spaces to AHS Model	An additional 400 affordable or no-fee AHS spaces for Indigenous families by 2023-24	\$10.0M	An additional 400 affordable or no-fee AHS spaces for Indigenous families by 2023-24	\$10.5M
Up to 600 new-Indigenous-Led Spaces	N/A	N/A	Up to 600 new Indigenous-led child care spaces funded for creation to support the growing population of Indigenous children in BC	\$30.0M

#### *Official Minority Language Communities in BC*

The BC Francophone Affairs Program broadly supports programs and services in both English and French through the Canada – British Columbia Official Languages Agreement on French-Language Services for approximately 70,000 Francophones and 300,000 Francophiles to ensure the French-speaking community has access to information it needs.

The Ministry of Children and Family Development has and will continue to work in partnership and consult with the BC Francophone Affairs Program, and interested Francophone community representatives to consider the early learning and child care needs of French-speaking families and children in British Columbia, as well as ensure opportunities for workforce supports consider the needs of francophone educators.

Under this Agreement with Canada, British Columbia is targeting funding into program areas that could be of benefit to French-language communities. For example, not-for-profit French linguistic communities or groups supporting Francophone programming could apply for space creation funding to create more francophone child care spaces. The expansion of affordable, accessible child

care, as well as workforce initiatives to support this growth, will be also implemented in a way that is responsive to the needs of BC's diverse communities, including official language minorities.

#### Carry-forward amounts

The Action Plan for 2021/22 and 2022/23 assumes the following funding investments and carry forward:

- 2021/22 – invests 25% of current year CW-ELCC allocation, with 75% moved to 2022/23
- 2022/23 – invests 75% from previous year (2021/22) CW-ELCC allocation, and 25% of current year, with 75% of current year moved to 2023/24

These carry forward proportions are designed to:

- Invest a greater portion of CW-ELCC funds by Year 2 of the CW-ELCC Agreement (2022/23) in space creation by deferring the CCFRI enhancement to mid-way through Year 2; and
- meet CW-ELCC target of a 50% reduction in fees (by December 2022).

The carry forward percentages were used to smooth out the space creation and the resulting costs from CCFRI expansion when these spaces became operational. Due to the operating expense obligations (from the enhanced CCFRI) when new spaces become operational, it is not feasible to further accelerate space creation in 2021/22. The funding profile and carry forward amounts for years 3-5 of the Agreement will be discussed during the development of the Action Plan 2023-24 to 2025-26.

#### Data Collection and Reporting

As part of the CW-ELCC Agreement, BC commits to sharing available data needed to monitor progress in establishing the Canada-wide child care system and, more broadly, to share and release data as available to further support the development of and reporting on quality and outcomes.

Through the administration of operating funding programs, child care space creation funding programs, and Universal Child Care Prototype sites (\$10/day sites), BC collects information on child care spaces and information about the facilities. This is the majority, however not all licensed child care providers. This information that BC currently collects will be used to report progress to the Agreement goals. This includes:

- licensed child care facilities and spaces, receiving operational funding, by care type, auspice, and service type
- the number of new spaces approved for child care space creation funding, by care type, auspice, and service type

For providers receiving operating funding, BC collects additional information through an annual provider census. BC commits to sharing data it currently collects that is needed to evaluate progress to these goals, taking into

account existing privacy guidelines. Currently, BC will be able to use the results of the provider census to report on progress to the Agreement goals, including

- estimated average daily parental out-of-pocket fees
- the number of Early Childhood Educators working in these licensed child care facilities that receive operational funding

Through the provider census, BC will explore collecting additional information that will help monitor progress of the Canada-wide child care system; this may include:

- estimated number of facilities that offer flexible care arrangements, and the estimated number of children that access flexible care;
- estimated number or proportion of facilities with the capacity to support and include children with support needs; and the estimated number of children with support needs receiving care; and
- estimated number of Indigenous children in licensed child care.

BC commits to enhanced data collection and reporting to Canada to ensure meaningful assessment of results and outcomes for BC families from federal funding. BC will also investigate other ways it can collect information that will help monitor progress towards the Agreement goals. This will include investigating information systems enhancements and data linking across programs.

Through these short- and longer-term measures, BC also commits within the term of this Agreement to enhancing the data collection capabilities, and commits to developing options for further systems changes to enable data collection and reporting meeting the requirements set out in the Agreement.

#### Administrative Funding

The CW-ELCC Agreement provides for administrative funding of up to 10% of the maximum annual allocation to support costs incurred by BC to support the growth, expansion, implementation and administration of the CW-ELCC Agreement. In the two years of this Action Plan (2021/22 and 2022/23, Administration Funding will be invested by BC for additional staffing, program and policy development, and system enhancements to support data collection, reporting, accountability and program implementation.

<b>Table 6. Summary of Administration Funding under CW-ELCC Agreement</b>	
<b>Investment Area</b>	<b>Detail/Impact</b>
Staffing	<ul style="list-style-type: none"> <li>▪ Approximately 35 - 43 FTEs at the Operational level to support expansion and implementation of programs, plus additional staff for short-term periods (e.g., up to 25 FTEs for 2-months) at times of program launches and changes</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Approximately 5 - 7 FTEs in systems development areas to design, test and build system enhancements</li> <li>▪ Approximately 3 - 4 FTE in modelling and analysis area to support data modelling, analysis, and reporting requirements.</li> <li>▪ Approximately 5 - 7 FTEs in policy areas to develop, implement, monitor, and report on policy, programs and data relating to CW-ELCC commitments</li> <li>▪ Other corporate services (procurement, HR, verification and audit and finance) 12 – 16 FTEs</li> </ul>
System Enhancements	<ul style="list-style-type: none"> <li>▪ Provider Portal that allows for online application, evaluation, and reporting, to support significant program implementation and expansion, including enabling accurate and reliable data collection to inform accountability, reporting and ongoing policy development.</li> <li>▪ Data collection system for ECE Registry, to enable reliable data collection and census of workforce to support policy planning and decisions and alignment of workforce initiatives with space growth</li> <li>▪ Exploration of potential data collection system change to facilitate meeting federal data reporting requirements</li> </ul>

#### Summary of 21/22 and 22/23 Investments

Table 7. Summary of 21/22 and 22/23 CW-ELCC Investments & Impacts		
Priority	Initiative	CW-ELCC Investment (\$M)
Affordability	Expanding access to \$10/day child care	2021/22: N/A 2022/23: \$104.8
	<b>Expected impacts (2022/23):</b> 5,980 spaces converted into \$10/day spaces by end of 2022/23	
	<ul style="list-style-type: none"> <li>• Expansion of CCFRI for 0-5 year care through Increase levels of fee reductions for families</li> </ul>	2021/22: N/A 2022/23: N/A
	<b>Expected impacts (2022/23):</b> Reduction in average parent fees (from 2019 levels) by 50% for 0-5 year olds by December 2022	
Accessibility	Increasing number of Indigenous Government, non-profit and/or public, and family-based child care spaces	2021/22: \$35.2 2022/23:

Table 7. Summary of 21/22 and 22/23 CW-ELCC Investments & Impacts		
Priority	Initiative	CW-ELCC Investment (\$M)
		\$178.7
	<b>Expected impacts (2022/23):</b> <ul style="list-style-type: none"> <li>• ~850 new not-for-profit, public, Indigenous-government, or family-based child care spaces funded in 2021/22.</li> <li>• ~5,000 new not-for-profit, public, Indigenous-government, or family-based child care spaces funded in 2022/23.</li> </ul>	
	Targeted investments in the planning/design of child care	2021/22: \$1.2 2022/23: N/A
	<b>Expected impacts (2022/23):</b> Targeted child care space planning and design will be completed, including a modular strategy, to facilitate accelerated space creation in future years.	
Quality and Inclusion	Expanding SCD /ASCD	2021/22: \$5.0 2022/23: \$15.0
	<b>Expected impacts (2022/23):</b> <ul style="list-style-type: none"> <li>• More children and families will have access to inclusive child care and children already on caseload will receive more service. It is expected that approximately 238 more children in 2021/22 and approximately 1,190 more children in 2022/23 will receive service each month.</li> <li>• More SCD/ASCD support workers will be recruited and retained.</li> <li>• Child Care providers will have enhanced capacity to care for children with support needs through access to education, training and consultation.</li> </ul>	
Indigenous	Indigenous-led child care	2021/22: \$10.0 2022/23: \$41.5
	<b>Expected impacts (2022/23):</b> <ul style="list-style-type: none"> <li>• 400 spaces will transition to the AHS model in 2021/22 and provide no-fee, culturally-based Indigenous-led child care and family support services. (Operational and minor capital funding provided).</li> <li>• Up to 600 new Indigenous-led child care spaces will be funded 2022/23 (capital funding for creation of spaces).</li> </ul>	

Table 7. Summary of 21/22 and 22/23 CW-ELCC Investments & Impacts		
Priority	Initiative	CW-ELCC Investment (\$M)
Indigenous	Métis CCRR program	2021/22: \$0.5 2022/23: \$0.5
	<b>Expected impacts (2022/23):</b> Métis families, ECEs and child care providers will be able to access Métis specific child care services, including training, consultation and collaboration, information, resources and referrals.	
Indigenous	Engagement on Indigenous-led child care	2021/22: \$0.5 2022/23: \$0.5
	<b>Expected impacts (2022/23):</b> Indigenous rights-holders will have the opportunity to engage on Indigenous-led child care through Indigenous governments.	
Administrative Funding	Administration Funding will be used primarily for additional staffing, program and policy development (where applicable) and system enhancements.	2021/22: \$34.9 2022/23: \$53.1

The following indicators and targets will be utilized to track and report on results:

Table 8. Details of expected results: Indicators and targets			
Initiative	Indicator	Targets (by 2022/23)	Annual report
Expanding access to \$10/day child care	The number of \$10/day spaces funded	5,980 additional federally-funded \$10/day spaces by end of 2022/23.	2022/23 only
Parent fee reductions	Average reduction in parent fees for 0-5 year olds at CCFRI facilities by December 2022	50% average fee reduction (from 2019 levels) by December 2022	
Increasing number of child care spaces <sup>10</sup>	The number of new public, non-profit or Indigenous government child care spaces. The number of new family-based child care spaces.	~850 spaces funded in 2021/22 and ~5,000 spaces funded in 2022/23.  ~5,900 spaces funded by 2022/23.	2021/22 2022/23

<sup>10</sup> Spaces will be public, Indigenous Government, non-profit, or family child care.

Table 8. Details of expected results: Indicators and targets			
Initiative	Indicator	Targets (by 2022/23)	Annual report
Targeted planning/design of child care	Targeted child care space planning and design to facilitate accelerated space creation in future years.	Child care space planning and design completed.	2021/22 only
Expanding SCD /ASCD	Number of children with extra support needs who will access supported child development programs.	Approximately 238 more children in 2021/22 and approximately 1,190 more children in 2022/23 will receive service each month.	2021/22 2022/23
	Number of new SCD/ASCD support workers recruited.		2021/22 2022/23
	Education, training or consultation provided to child care providers to enhance their ability to provide care for children with support needs.		2021/22 2022/23
Indigenous-led child care	Number of child care spaces providing culturally-based Indigenous services, including number of spaces on and off reserve.	400 child care spaces in 2021/22 and up to 600 spaces created in 2022/23 (that will become operational in 25-26). Total of 1000 spaces by 2022/23.	2021/22 2022/23
	Métis CCRR program	Métis CCRR program created and operational.	2021/22 2022/23
	Engagement on Indigenous-led child care	Indigenous rights-holders will be consulted by Indigenous governments on Indigenous-led child care to inform space creation.	2021/22 2022/23

**Table 9. Provincial and Federal ELCC Investments, 2021/22 and 2022/23**

<b>Canada-wide ELCC Investments</b>			
<b>Priority Area</b>	<b>Initiative</b>	<b>2021/22 (\$M)</b>	<b>2022/23 (\$M)</b>
<b>Improving Affordability</b>	Expanding access to \$10/day child care	\$0	\$104.8
	Universally-applied parent fee reductions for CCFRI child care spaces	\$0	-
<b>Increasing Access</b>	Increasing number of Indigenous Government, non-profit and/or public, and family-based child care options	\$35.2	\$178.7
	Targeted investments in the planning/design of child care	\$1.2	-
<b>Indigenous Child Care</b>	<b>Expanding Indigenous-led child care 21/22:</b> <ul style="list-style-type: none"> <li>• Transition 400 Indigenous-led spaces to Aboriginal Head Start (AHS) (\$8.66M ongoing)</li> <li>• Minor capital to support AHS transition (\$1.34M, 21-22 only)</li> <li>• Consultation with rightsholders (\$0.5M ongoing)</li> <li>• Métis Child Care Resource and Referral (\$0.5M ongoing)</li> </ul> <b>NEW 22/23:</b> <ul style="list-style-type: none"> <li>• Creating new Indigenous-led child care spaces (\$30M)</li> <li>• Minor capital funds to improve quality of provincially and federally funded transitioned AHS spaces and to provide capital project expertise (\$1.84M)</li> </ul>	\$11.0	\$41.5
<b>Inclusive Child Care</b>	Expanding Supported Child Development /Aboriginal Supported Child Development program	\$5.0	\$15
<b>Administration Costs</b>	Administration Funding will be used primarily for additional staffing, program and policy development (where applicable) and system enhancements.	\$34.9	\$53.1
<b>Total CW-ELCC Investments</b>		<b>\$87.3</b>	<b>\$393.1</b>



<b>Investments through Budget 2017 Bilateral ELCC Agreement <sup>11</sup></b>			
<b>Priority Area</b>	<b>Initiative</b>	<b>2021/22 (\$M)</b>	<b>2022/23 (\$M)</b>
<b>Improving Affordability</b>	Early Care and Learning Prototype Sites	<b>\$31.000</b>	<b>\$31.000</b>
<b>Supporting Accessibility</b>	Completion of Early Learning and Child Care Environmental Scans	<b>\$1.200</b>	<b>-</b>
<b>Indigenous Child Care</b>	Maintenance of Indigenous-led child care spaces	<b>\$10.000</b>	<b>\$10.000</b>
<b>Inclusive Child Care</b>	Maintenance of services for children with support needs through the SCD/ASCD program.	<b>\$10.000</b>	<b>\$10.000</b>
<b>Quality Child care</b>	Development of quality assessment framework for \$10/day sites	<b>\$0.220</b>	<b>-</b>
	Plan and host the Early Care and Learning Summit	<b>\$0.150</b>	<b>-</b>
<b>Total Investments</b>		<b>\$52.570</b>	<b>\$51.000</b>
<b>Investments through One-time-only ECE Workforce ELCC Funding (21/22) <sup>12</sup></b>			
<b>Priority Area</b>	<b>Initiative</b>	<b>2021/22 (\$M)</b>	<b>2022/23 (\$M)</b>
<b>Quality Child Care</b>	Support access to ECE Post-Secondary Education through: ECE Bursaries, Work Integrated Learning Model and Dual Credit ECE Programs	<b>\$28.950</b>	<b>-</b>
	Support professional learning for workforce through: Early Years Pro-D Bursaries, Peer Mentoring project, Professional Learning Opportunities	<b>\$6.250</b>	<b>-</b>
	Support quality in underserved communities through: Inclusion support training, professional learning for deaf/hard of hearing communities and support for translation of ECE documents	<b>\$2.000</b>	<b>-</b>
	Retention Incentive for new ECE certificate holders	<b>\$11.612</b>	<b>-</b>

<sup>11</sup> Subject to signature of the agreement

<sup>12</sup> Subject to signature of the agreement



## **PART 2: [P/T]'S ACTION PLAN FOR 2023-2024 to 2025-2026**