

Alert

To the immediate attention of the Clerk and Council

April 21, 2006 – Alert 06/020

AMO Urges Municipalities to Lobby Federal Government on the Early Learning and Child Care Agreement

Issue:

The termination of the Canada-Ontario Early Learning and Child Care Agreement has undermined Ontario's Best Start Program.

Background:

With the election of the new Federal Government, the *Moving Forward on Early Learning and Child Care Funding Agreement* between the previous federal government and the provinces has been terminated. The Agreement would have seen \$1.9 billion over five years (through to 2009/10) transferred to Ontario for high quality, licensed child care. The \$1.9 billion consisted of funding from both the 2003 Multilateral Framework on Early Learning and Child Care and the ELCC signed in November 2005.

Under the agreement, over the next three years alone, 25,000 new high quality, licensed child care spaces were slated to open in Ontario. The cancellation of the agreement will result in 11,000 fewer child care spaces than originally announced. In place, the Federal government will be providing \$1,200 a year for each child under six years of age and provide \$250 million in tax credits to employers and non-profit organizations to provide new child care spaces. AMO is hopeful that the indication in the Federal Throne Speech that the Government is prepared to collaborate with the provinces and territories, and others to encourage the creation of new child care spaces may signal an opportunity to restore an early learning and child care system in Ontario as previously agreed.

Action:

The cancellation of the agreement is a serious set back for Ontario's Best Start Program. AMO is recommending that municipalities responsible for managing child care services in their communities encourage the Federal Government to honour the Canada-Ontario Agreement so that Ontario can implement an early learning and child care system as previously agreed.

This information is available in the Policy Issues section of the AMO website at www.amo.on.ca

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