



MANAGEMENT REPORT

Date: March 10, 2026
To: Social Services Sub-committee
From: Calvin Mackenzie, Research and Program Analyst
Mandy Koroniak, Manager of Children's Services
Report Number: SOC26-004
Attachments: None

Title: Children's Services Division 2025 Year in Review

Objective: To provide Mayor and Council with an update on the 2025 activities of the Children's Services Division and future directions for the Division.

Background:

As the Service System Manager (SSM) for Stratford, St. Marys, and Perth County, the Children's Services Division is responsible for planning, funding, administration and operation of licensed child care and early years programs in its service delivery area. It is mandated to oversee a number of supports to children, families, and the sector, including:

- *Canada-Wide Early Learning and Child Care (CWELCC) System:* Local implementation of the CWELCC System, including funding to child care operators and directed growth of CWELCC spaces
- *Child Care Fee Subsidy Program:* Provide subsidies to support the cost of child care for eligible families
- *Special Needs Resourcing:* Support the inclusion of children with special needs in licensed child care and early years settings
- *EarlyON Child and Family Programs:* Oversee the local EarlyON system of free, high-quality programs for families and children from birth to 6 years old where families can learn and play together and get advice from early childhood professionals.

- *Professional Learning and Capacity Building:* Support the professional learning and development of child care and early years staff to enhance the delivery and provision of high-quality programs

This report provides an analysis of local data related to these areas of service delivery, and directions for the Division in 2026.

Analysis:

Canada-Wide Early Learning and Child Care (CWELCC) System

Cost-Based Funding Formula and Increasing Affordability for Families

The Government of Canada and Province of Ontario entered into a CWELCC Agreement on March 28, 2022, and in Ontario, a new CWELCC Cost-Based Funding Formula took effect on January 1, 2025. This new funding formula shifted from a fee replacement model to a Cost-Based Funding approach, significantly increasing the financial complexity of delivering CWELCC funding to local operators.

As parent fees have decreased, there has been a corresponding increase in funding and in 2025, \$13,582,396 was distributed to licensed child care operators for programs serving children aged 0 to 5 years, subject to required year-end reconciliation.

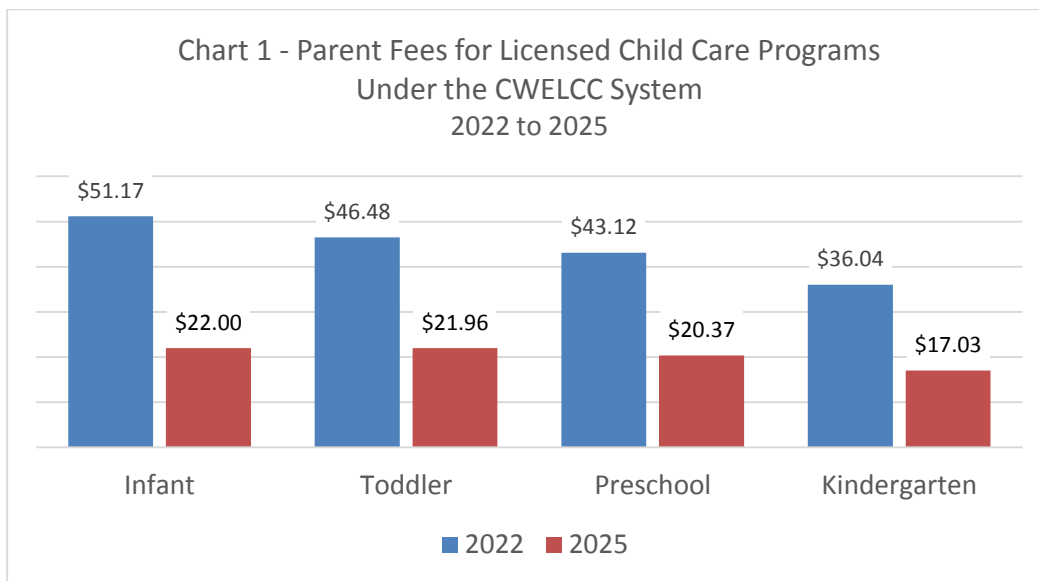


Chart 1- Source: O. Reg 137/15 March 28, 2022 and January 1, 2025: Table 1 - Maximum Child Care Centre Daily Fees for Full-Day Programs for Stratford

Directed Growth of Licensed Child Care Spaces

Under the terms of its CWELCC Agreement, Ontario committed to create 86,000 new CWELCC spaces (relative to 2019) by the end of 2026 and provided Service System Managers (SSMs) with notional targets for growth. The City of Stratford was provided

with a target of 461 CWELCC spaces for children age 0-5 for its service area of Stratford, St. Marys, and Perth County.

As of December 31, 2025, there were 2,188 licensed child care spaces for children aged 0 to 12 in the service delivery area. This was an increase of 62 licensed child care spaces from December 31, 2024, when there were 2,126 licensed spaces. This is attributed to the opening of a new child care centre in Milverton, and increases to kindergarten spaces in two existing child care sites. This led to an increase in licensed child care access rates in Stratford, St. Marys, and Perth East.

Table 1 - Increased Licensed Child Care Access Rates 2024-2025

Municipality	Licensed Child Care Access Rate December 2024	Licensed Child Care Access Rate December 2025
Perth East	4.6%	5.5%
St. Marys	28.3%	31.2%
Stratford	23.2%	23.5%

Child Care Wait List and the Increasing Demand for Licensed Child Care

The introduction of more affordable licensed child care under the CWELCC System has led to a corresponding increase in the demand for licensed child care. The number of unique children on the child care wait list was only 1,382 in March 2022 when the Province first entered into the CWELCC agreement. This increased to 2,562 unique children in December 2025, representing an 85% increase for Stratford, St. Marys, and Perth County.

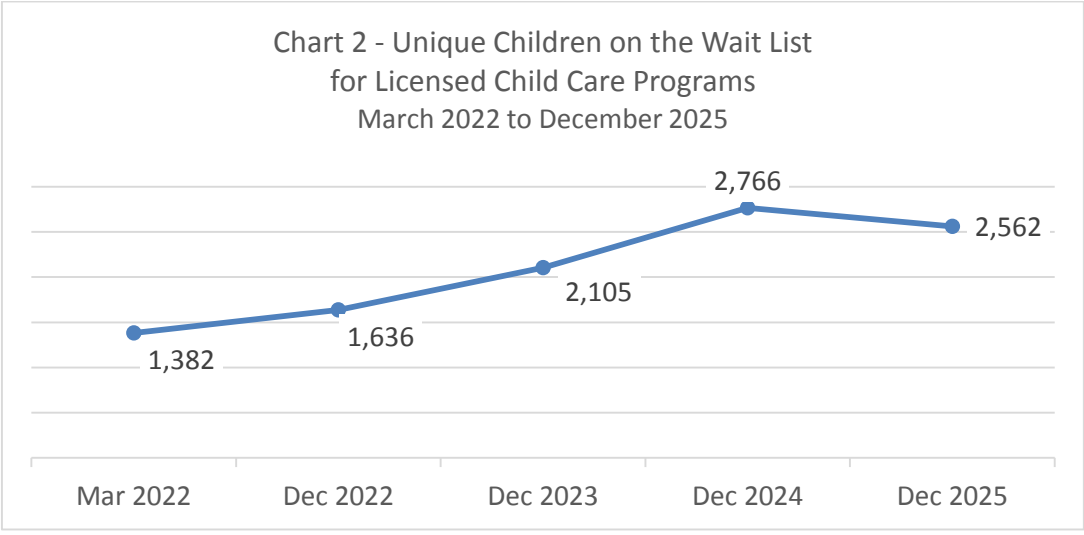


Chart 2 - Source: OneHSN Stratford Child Care Wait List

Child Care Fee Subsidy Program

The Child Care Fee Subsidy program provides financial assistance to eligible families who may require help in paying for the costs of child care, supporting workforce participation and the pursuit of education or training. Families may be determined to be eligible based on income, and their reason for service, including employment and educational activities.

In 2025, 154 unique families and 242 unique children were supported with child care fee subsidies. As of December 31, 2025, there were 108 children actively being served by child care fee subsidies, of these, 25 (23%) had a family income between \$0 and \$30,000, and the families of 42 (39%) children had a parent fee of \$0.

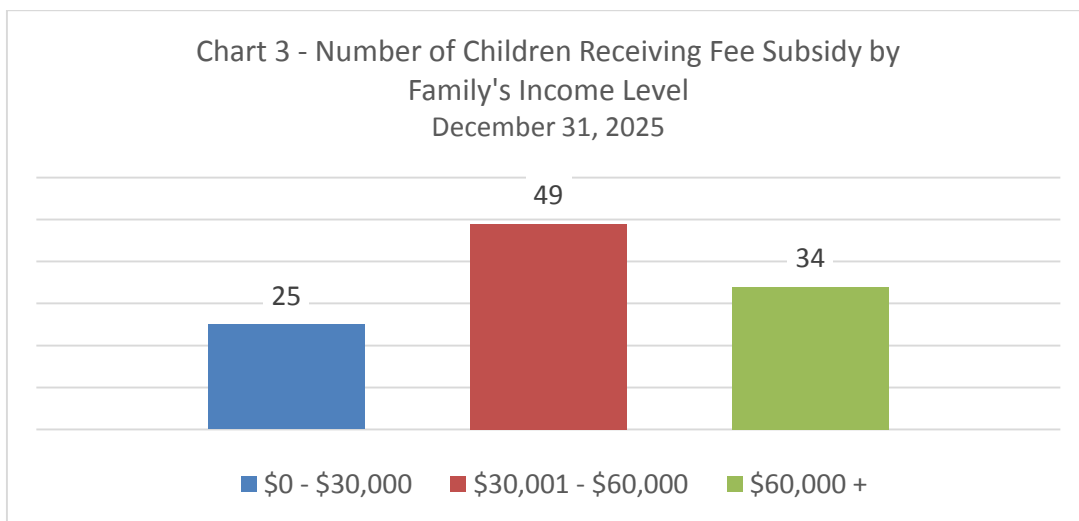


Chart 3 - Source: Ontario Child Care Management System (OCCMS) Stratford

As of December 31, 2025, 83% of children were receiving fee subsidy because of their parents' employment. The remaining 17% were receiving fee subsidy because their parents were in receipt of social assistance (Ontario Works and ODSP), needed temporary care, were attending school, or other reasons.

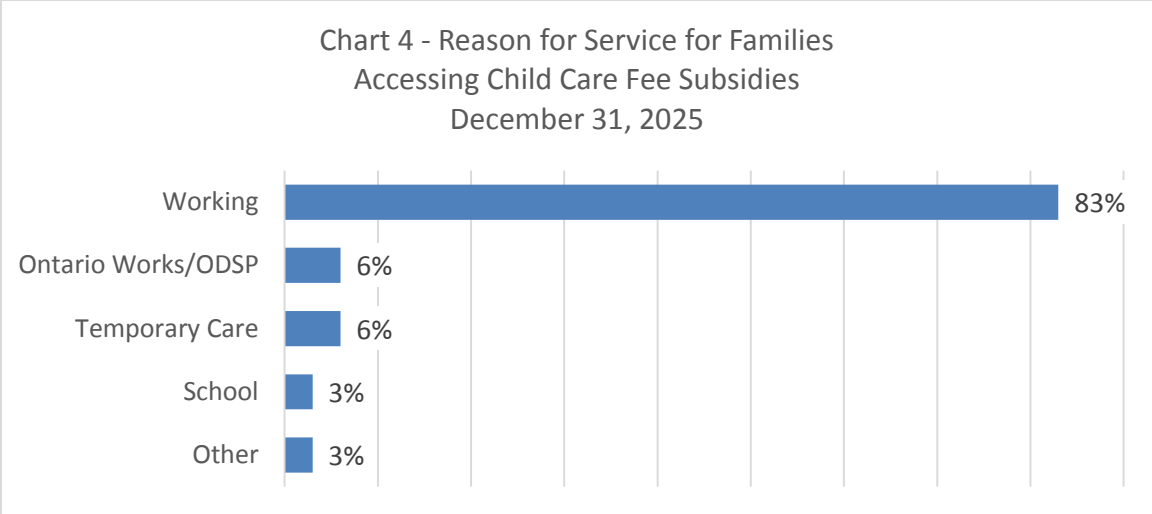


Chart 4 - Source: Ontario Child Care Management System (OCCMS) Stratford

Special Needs Resourcing

Special Needs Resourcing (SNR) supports the inclusion of children with special needs ages 0 to 12 in licensed child care settings, including camps, and children’s recreation programs. A child with special needs is defined as a child whose cognitive, physical, social, emotional, or communicative needs, or whose needs related to overall development, are of a nature that additional supports are required for the child.

The available supports include a Resource Consultant who provides a range of services and supports such as providing child care staff with program adaptation strategies, supporting the development of individualized support plans, conducting developmental screens, providing referrals to community agencies, providing resources to parents, and assisting with the purchase of specialized equipment to support inclusion. The SNR program may also provide funding for additional support staff, where required. In 2025, City of Stratford Resource Consultants served 144 unique children within 28 licensed child care centres and at EarlyON Child and Family programs in Stratford, St. Marys, and Perth County.

EarlyON Child and Family Centre Programs

EarlyON Child and Family Centres programs offer free, high-quality programs for families and children from birth to age 6. Within the programs, children and their families participate in inquiry-based programs in a safe, welcoming, and inclusive environment. Families and caregivers can seek advice, find support, and access resources.

Within the service delivery area, EarlyON programs are available at 20 sites, delivered by 4 EarlyON service providers: YMCA of Three Rivers, Municipality of North Perth, Perth Care for Kids, and the Town of St. Marys.

Table 2 - Participation at EarlyON Child and Family Programs, January-December 2025

Participant	Unique Participants	Visits
Children	2,268	19,297
Parents and Caregivers	1,838	15,633

Professional Learning and Capacity Building

Children’s Services supports professional learning to improve recruitment and retention of the Registered Early Childhood Educator (RECE) workforce and other program staff, and to support the implementation of the CWELCC Agreement, through funding and direction of the Ministry of Education. This supports professional learning opportunities that build capacity of the early years and child care sector to support the provision of high-quality programs that align with *How Does Learning Happen? Ontario’s Pedagogy for the Early Years*.

To advance this work, each year educators and support staff working in both child care and EarlyON programs are provided with the opportunity to participate in one professional learning day, and additional workshops are also provided throughout the year. In 2025, a system-wide professional learning day for early years educators and staff was held on May 2, 2025, and an additional 8 workshops were held throughout the year. Overall, 200 educators were supported through this work.

Directions for 2026

In 2026, the work of the Children’s Services Division will focus on the following areas of its service delivery:

- 1) Supporting Access to Affordable Licensed Child Care

As 2026 is the final year of the current CWELCC Agreement between the Government of Canada and Province of Ontario, Children’s Services will continue to work towards the directed growth of deeply affordable CWELCC childcare spaces where they are needed most. The Division will also provide enhanced supports to child care operators as the sector continues to navigate transitions under the Ministry of Education’s new funding model, supported by new procedures and accountability measures to ensure effective and responsible use of public funds.

- 2) Planning for an Inclusive and Accessible Child Care and Early Years System

The Children’s Services Division is mandated to have a child care and early years programs and services plan for its service area that addresses matters of provincial interest. To best address the needs of the community with informed planning and decision-making during this time of system transformation and growth, the Children’s

Services Division will undertake a service system planning process, including engagement with community partners.

3) Innovation in Workforce Recruitment and Retention

To support increased staffing demands corresponding to the growth of licensed child care, the Children's Services Division will continue to support recruitment and retention in the sector. These activities involve collaborations with Ontario Works and community partners as the Division works to enhance the capacity of the workforce, support recruitment, and guide early learning and child care workforce policy development and planning.

Financial Implications:

Not applicable:

There are no financial implications to be reported because of this report. This report is for information only to provide an information update regarding the activities of the Children's Services Division.

Alignment with Strategic Priorities:

Work Together For Greater Impact

This report aligns with this priority as the Children's Services Division, in collaboration with community partners, plans for a system of licensed childcare and early years programs and services that is accessible, responsive, of high quality, and responsive to local needs.

Alignment with One Planet Principles:

Health and Happiness

Encouraging active, social, meaningful lives to promote good health and wellbeing.

Equity and Local Economy

Creating safe, equitable places to live and work which support local prosperity and international fair trade.

Staff Recommendation: THAT the report titled, "Children's Services Division 2025 Year in Review" (SOC26-004), be received for information.

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Recommended by: Kim McElroy, Director of Social Services
André Morin, CPA, Chief Administrative Officer