

**Ministry of Education**  
Early Years and Child Care  
Division

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**Ministère de l'Éducation**  
Division de la petite enfance et de la  
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**2023: EYCC04**

**TO:** Consolidated Municipal Service Managers (CMSMs)  
District Social Services Administration Boards (DSSABs)

**FROM:** Holly Moran, Assistant Deputy Minister  
Early Years and Child Care Division

**DATE:** September 27, 2023

**SUBJECT:** 2024 Canada-wide Early Learning and Child Care Funding Approach

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Thank you for your ongoing leadership and commitment to ensuring that more families across Ontario have access to safe, affordable and high-quality child care. As we continue to plan for 2024 and beyond in the next stages of implementing the Canada-wide Early Learning and Child Care (CWELCC) system, I am pleased to provide the following updates:

### **2024 Funding Approach**

As Ontario undergoes this significant transformation of publicly funded child care, the ministry is committed to integrating sector feedback into the CWELCC funding approach to ensure the best possible outcomes for Ontario's children. It remains our commitment that our municipal partners and licensees have the time they need to prepare for the new CWELCC funding approach and, this way, minimize disruption to the system during this time of change.

**As a result of feedback, and to ensure short-term stability in the sector, the existing revenue replacement approach to CWELCC funding will remain in place for at least the first eight months of 2024, pending the announcement of the new funding approach. Likewise, licensees with existing purchase-of-service agreements will continue to receive pre-CWELCC funding.**

The ministry recognizes that licensees may be subject to cost escalation that is beyond their control (e.g., rent increases) and may feel that the revenue replacement funding approach could impact their capacity to participate in the CWELCC system. The ministry has heard this concern and intends to communicate further on this matter through the release of the 2024 funding allocations, targeted for early November 2023. A key consideration will be the importance of providing ongoing financial stability for operators.

We want to reiterate our sincerest appreciation for your commitment and ongoing work during the implementation of the CWELCC system. We look forward to our continued partnership as we work towards improving and strengthening child care and early years programs and services in Ontario. If you have any questions, please contact your Early Years Advisor (EYA) or Financial Analyst (FA). A [listing of EYAs and FAs](#) can be found on the ministry website.

Sincerely,

A handwritten signature in cursive script, appearing to read "H. Moran".

Holly Moran  
Assistant Deputy Minister  
Early Years and Child Care Division  
Ministry of Education

c: Early Years Advisors, Programs and Service Integration Branch  
Financial Analysts, Financial Accountability and Data Analysis Branch