Ministry of Education
Early Years and Child Care Division

315 Front Street West, 11th Floor
Toronto ON M7A 0B8

Ministère de l'Éducation
Division de la petite enfance et de la garde d'enfants

315, rue Front Ouest, 11e étage
Toronto ON M7A 0B8

Ontario

2026: EYCC06

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

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

DATE: October 30, 2026

SUBJECT: **Ontario Child Care and Early Years Funding Guidelines and 2027 Allocations**

Thank you for your ongoing leadership and commitment as we continue to invest and make strides in our work together to deliver affordable, accessible, inclusive and high-quality child care to Ontario's families.

I am writing to share the *Ontario Child Care and Early Years Funding Guidelines* ("the Guidelines"), updated to support municipal planning for 2027, along with additional updates, including on:

- The extension of the Canada-wide Early Learning and Child Care (CWELCC) Agreement;
- CWELCC Space Creation Targets and Tracking;
- An Overview of Updates to the Guidelines;
- 2027 Cost-Based Funding Allocation Updates;
- Other Updates for the Year Ahead; and
- 2027 Allocations (Appendices A and B).

Extension of the CWELCC Agreement

I am pleased to report that Ontario has signed a four-year extension of the CWELCC agreement with the federal government until March 31, 2031. The amendment provides funding to maintain current parent fee reductions until at least the end of June 2027 and supports stability for families and the sector. CWELCC-related funding allocations beyond June 2027 are contingent on an anticipated amending agreement that will include Ontario's share of the new $5.4 billion national investment announced in June 2026, which is expected later in 2026 or early 2027. Ontario and Canada will continue discussions on the long-term sustainability of the system.

Ontario remains committed to keeping CMSMs/DSSABs informed as discussions continue with federal partners.

CWELCC Space Creation Targets and Tracking

Through the new four-year extension of the CWELCC agreement, Ontario remains committed to the provincial target of 86,000 net new CWELCC spaces. The ministry has secured flexibility on the original December 31, 2026, deadline to March 31, 2027, to support completion of municipal approvals, licensing, and CWELCC-enrollment processes, particularly for projects currently under construction.

To ensure that the Province remains on track to meet the committed licensed space target, the following are minimum requirements to be met by November 30, 2026:

Projects Under Construction	• **"CWELCC Advice Status – Approved"** by the CMSM/DSSAB in Child Care Licensing System (CCLS); • Ministry floor plan approval-in-principle letter issued; • Construction has commenced (with a realistic plan for completion by December 31, 2026); and all applicable municipal approvals (e.g., zoning, fire, building, health) to be submitted in CCLS by February 12, 2027; and • All infrastructure funding, if applicable, has been committed and will be spent by December 31, 2026, in alignment with the guidelines.
All Other New Applications and Revisions	• **"CWELCC Advice Status – Approved"** by the CMSM/DSSAB in CCLS; • Ministry floor plan approval-in-principle letter issued; and • All applicable municipal approvals (e.g., zoning, fire, building, health) submitted in CCLS.

Any space that does not meet these requirements by November 30 may be subject to recalibration adjustments beginning January 2027. The ministry will be using CCLS as an authoritative source for space data rather than Excel templates to ensure timeliness, accuracy and consistency across CMSMs/DSSABs.

CMSMs/DSSABs will be required to attest to the completion of construction projects supported by infrastructure funding in their region. Further details on the process for affirming and reporting on these projects will be provided by the Ministry in the near term.

To maximize space creation within the above timelines, CMSMs/DSSABs are encouraged to adhere to the following process:

- Directed Growth Plans remain the primary mechanism for allocating available spaces. CMSMs/DSSABs should first exhaust all opportunities to create spaces as identified in their Directed Growth Plans.

- Once Directed Growth priority areas are saturated, CMSMs/DSSABs should maintain documented policies that outline a clear and transparent process for prioritizing space reallocations outside Directed Growth communities. The ministry strongly encourages that these policies prioritize the following:
    - School-based child care spaces;
    - Not-for-profit child care spaces; and
    - Secondary neighbourhoods based on demonstrated need, including underserved or marginalized populations as outlined in the Access and Inclusion Framework.

Please see Appendix C for additional details on Space Creation Priorities.

CWELCC Space Creation Tracking

The ministry is moving to CCLS as the authoritative source for CWELCC space tracking. The most recent CWELCC enrolment data collection exercise (for growth as of September 30, 2026) will be the last using Excel templates.

Going forward, CMSMs/DSSABs will be required to update CCLS directly upon CWELCC enrolment following the instructions that follow. The ministry strongly encourages this action to be taken immediately following enrolment to ensure the ministry has the timeliest data available, especially by the end of each month as we approach the federally imposed deadline for growth. Spaces not tagged in CCLS as CWELCC-enrolled (or otherwise meeting the requirements in the table above) by November 30, 2026, may be at risk of recalibration.

Required Steps Following the Issuance of a New Licence, Revised Licence or Newly Enrolled Existing Licence:

- Ensure notifications for “new licence issued” and “licence revision issued” are enabled in CCLS (refer to page 17 of the CCLS Reference Guide CMSMs/DSSABs)
- Upon issuance of a new licence or revised licence, update the CWELCC enrollment status directly in the CCLS (refer to page 39 of the CCLS Reference Guide CMSMs/DSSABs for detailed instructions)
- Ensure all CWELCC enrolled programs have an accurate “CWELCC enrollment status” recorded in CCLS (including existing child care programs that are newly enrolled in CWELCC)

Required Steps Following the De-enrollment of a Licensee from CWELCC:

- Ensure the “CWELCC enrollment status” is changed to “No” in CCLS

Where needed, the ministry can provide assistance to CMSMs/DSSABs by email at childcare.helpdesk@ontario.ca.

Guidelines Updates for 2027

Updates to the Ontario Child Care and Early Years Funding Guidelines have been made to continue to improve clarity, address outstanding issues and to reflect the extended CWELCC agreement. All updated guidelines will be available on the Funding Guidelines webpage along with Release 7 of Questions and Answers. Key updates include:

- **Forward** provides support to CMSMs/DSSABs by improving the usability of guidance materials and itemizing all material updates to the guidelines going forward under a new section C.
- **Chapter 1** outlines that service targets will remain unchanged for 2027, and no penalties will be applied for unmet targets during this period. The Interim Report remains paused for 2027. The ministry reserves the right to request ad hoc in-year reporting from CMSMs/DSSABs.
- **Chapter 2, Division 1** provides additional clarification that the ministry does not function as an appeal body within the dispute resolution process between CMSMs/DSSABs and licensees, outlines expectations related to administrative consistency across CMSMs/DSSABs, enrolment reporting in CCLS, and the prioritization of school-based child care spaces as a preferred long-term approach to system growth.
- **Chapter 2, Division 2** provides clarification to:
    - Support CMSMs/DSSABs and licensees impacted by the introduction of market rate rent in provincial government-owned buildings, by providing funding within 2027 cost-based funding allocations where applicable. The new Step 3b of the rolling top-up calculation provides direction on completing a one-time adjustment for licensees operating in provincial government-owned buildings (see Appendix D for additional details).
    - Align with the broader cost-based funding formula by providing direction for secondary CMSMs/DSSABs to directly provide an allocation in lieu of profit/surplus to Home Child Care Agencies with Active Homes in Multiple Service Areas, in respect of new active homes in their service area.
    - Ensure that overseeing and secondary CMSMs/DSSABs report their respective expenditures and associated spaces for Education Finance Information System (EFIS) reporting purposes. The overseeing CMSM/DSSAB is solely responsible for the total agency-level reconciliation, and EFIS reporting must reflect any agency-level recovery of overpayments.
    - Provide greater flexibility to CMSMs/DSSABs to manage reporting requirements and leverage internal processes; the timelines to complete and report to the Ministry on cost reviews are now no later than September 30 following the end of the calendar year.

- **Chapter 2, Appendix 1** updated benchmark schedule.
- **Chapter 3, Division 1** Part 2 and Part 3 have been updated and reorganized to enhance clarity and ease of use. Direction has been provided in Part 2 to maintain Wage Enhancement Grant (WEG)/Home Child Care Enhancement Grant (HCCEG) ceilings at 2026 levels for 2027 and, in Part 3, to maintain annual workforce funding parameters, including the wage ceiling and floor, at 2026 levels for 2027.
- **Chapter 3, Division 2 and 3** updated to reflect the time-limited nature of the Innovation Fund and Promotional Fund.
- **Chapter 3, Division 4** updated eligible costs for printing and technology accessories
- **Chapter 4** updated to now grant CMSMs/DSSABs flexibility within Indigenous-led funding requirements to respond to changing community needs.
- **Chapter 5** highlights that while construction on all projects supported by Start-up Grants or the Early Learning and Child Care Infrastructure Fund must be completed by December 31, 2026, the ministry will provide additional flexibility to complete outstanding municipal approvals, licensing requirements, and CWELCC enrolment processes by March 31, 2027.
- **Chapter 7** updated flexibility and reporting for Indigenous-led Child Care and EarlyON Child and Family programs.
- **Standardized Financial Report and Cost Reviews:** In support of the accountability framework for Cost-Based Funding outlined in Chapter 2, Division 2, Ontario will be releasing an updated guidance document on the Standardized Financial Report and Cost Reviews in the near term.
    - In support of the Standardized Financial Report process, the ministry will be making available two updated Excel-based reference files at that time.

2027 Cost-Based Funding Allocation Updates

2027 cost-based funding allocations may differ from previous years due to updates to home child care space projections data to reflect homes in secondary CMSMs/DSSABs, use of Standardized Financial Report data (such as for the rolling top-up calculation), adjustments to benchmarks (e.g., cost escalation), and updated licensed space data including any changes to age group distributions as growth spaces may have been brought online in a way not aligned with previous ministry assumptions.

As in previous years, the ministry is withholding from regular cash flows a portion of cost-based funding allocation for 2027. This operating capacity holdback is allocated at the CMSM/DSSAB-level as the difference between each CMSM's/DSSAB's cost-based funding allocation at full licensed capacity and their cost-based allocation at assumed 2027 operating capacity. CMSMs/DSSABs are expected to follow the relevant guidance provided in Chapter 1 to request the release of holdback where needed.

While provided to support municipal planning, all CWELCC-related allocations for July to December 2027, including Cost-Based Allocation, Cost-Based Allocation Holdback, CWELCC Administration, and Child Care and Early Years IT Modernization Transformation Fund, are contingent on the signing of an incremental amending agreement between the Province and the federal government. This will be reflected accordingly in 2027 Transfer Payment Agreements, and the ministry will communicate to CMSMs/DSSABs when the contingency is lifted.

Please see Appendix A for the 2027 Total Allocations and Appendix B for the CWELCC-Related Allocations for January to June 2027 and July to December 2027.

As part of the Program Cost Allocation for Cost-Based Funding in Chapter 2, Division 2 of the Guidelines, the ministry is communicating the following updates:

a) Specified date for home child care agencies with active homes in multiple CMSM/DSSAB jurisdictions

As of 2025, when an eligible agency has active homes in multiple CMSM/DSSAB jurisdictions, the overseeing CMSM/DSSAB will receive an allocation to cover all the agency's active homes, other than new active homes created within other ("secondary") CMSM/DSSAB jurisdictions after a "specified date." For 2027 funding, this specified date is June 30, 2026.

b) Existing centre/agency's rolling top-up factor

Consistent with prior years, for eligible centres with no licensed capacity for eligible age groups, the rolling top-up should be calculated by multiplying the amount of the legacy or rolling top-up received in the previous calendar year by a factor specified by the ministry when it communicates the allocations for the calendar year. For 2027 funding, this factor is 1.02.

Other Updates for the Year Ahead

While the new four-year extension agreement provides fee stability in the CWELCC system until at least June 30, 2027, Ontario remains committed to providing families and the sector with as much certainty as possible. Ontario will be working with Canada over the coming year to support long-term sustainability, affordability for Ontario families, and stability for the child care sector.

The ministry acknowledges that the child care and early years sector has been deeply engaged with the transformative work of implementing the CWELCC system. In support of the work on the future of the CWELCC system, as well as the continuous review of early years and child care programs, the ministry will be engaging CMSMs/DSSABs over the course of the coming year on key aspects of the system. This includes:

- **Contractual services targets:** In recognition of the significant changes that have taken place, service targets will remain unchanged for 2027, and penalties related to missing service targets are not being applied. The ministry will be consulting with

CMSMs/DSSABs in 2027 (after the longer-term future of CWELCC has been confirmed) to review and potentially update service targets starting 2028 to reflect the evolving landscape of CWELCC.

- **Compliance audits:** In consideration of CMSM/DSSAB work on CWELCC, the ministry continues to monitor the audit approach and may make changes to the audit approach as necessary.

- **Refining treatment of long-term vacancies:** As part of the Office of the Auditor General of Ontario's recommendations to the ministry on the CWELCC program, the ministry plans to consult CMSMs/DSSABs in the coming year to support the development of a definition for long-term vacancies in CWELCC spaces.

Workforce Supports

The ministry continues efforts to support working conditions for RECEs through the Workforce Strategy, while engaging with the federal government on the long-term sustainability of the CWELCC system, including strategies to support workforce recruitment and retention.

In light of the new four-year CWELCC extension and ongoing work on the long-term sustainability of the system, the ministry is undertaking a full review of **workforce supports** provided within and outside of CWELCC.

- The wage ceilings under the Wage Enhancement Grant (WEG) and Home Child Care Enhancement Grant (HCCEG) programs will be maintained for 2027 to remain aligned with the wages of RECEs in the education sector. For 2027, the wage floor, wage ceiling, and annual $1/hr increases under the Workforce Compensation will be maintained at 2026 levels.

- A reminder that eligible WEG/HCCEG obligations must be met and that CMSMs/DSSABs should use all available funding, including Local Priorities – Flexibility Funding, to cover eligible WEG/HCCEG expenditures. Sustainability of WEG/HCCEG will be a key part of the workforce supports review.

- Professional Learning remains an important component of CWELCC. Further information regarding future Professional Learning funding and corresponding allocations will be determined and shared following the anticipated new amending agreement.

Next Steps

For any inquiries about program funding allocations for any program, funding flexibility, or any other questions, please submit a request through the Early Years Support Request platform.

To ensure alignment with these updates, Transfer Payment Agreements for 2027 will be shared with CMSMs/DSSABs soon. These amendments will reflect the latest changes outlined in this memo and updated guidelines.

We want to reiterate our sincerest appreciation for your continued partnership as we work towards strengthening child care and early years programs and services in Ontario.

Sincerely,

Original signed by:



Holly Moran
Assistant Deputy Minister
Early Years and Child Care Division

cc: Whitney Wilson, Director, Early Years Branch
Karen Puhlmann, Director, Child Care Branch
Matthew DesRosiers Director, Funding Branch

Appendix A: 2027 Total Allocations

EFIS ID	CMSM/DSSAB	Cost-Based Allocation	Cost-Based Allocation Holdback	Total Cost-Based Allocation	Local Priorities Allocation	EarlyON	Indigenous-Led	Child Care and Early Years IT Modernization Transformation Fund	Administration Allocation	Total 2027 Allocations
200	Corporation of the City of Brantford	43,251,845	369,876	43,621,721	5,911,925	2,291,970	815,000	141,637	749,129	53,531,382
201	City of Cornwall	21,610,525	275,615	21,886,140	5,219,791	1,861,747	0	122,037	584,563	29,674,278
202	City of Greater Sudbury	56,516,435	352,009	56,868,444	10,041,947	3,734,937	117,260	113,987	1,090,849	71,967,424
203	The City of Hamilton	170,314,919	2,437,729	172,752,648	31,983,857	6,661,549	1,627,615	154,237	3,270,129	216,450,035
204	Corporation of the City of Kawartha Lakes	17,755,421	102,448	17,857,869	3,318,050	1,247,504	0	130,437	418,772	22,972,632
205	Corporation of the City of Kingston	36,765,596	378,641	37,144,237	6,086,417	3,202,733	0	131,837	733,987	47,299,211
206	Corporation of the City of London	158,629,225	1,114,128	159,743,353	23,093,754	4,377,880	644,851	211,637	2,488,919	190,560,394
207	City of Ottawa	393,448,737	5,996,110	399,444,847	54,022,918	11,172,976	2,806,780	238,237	6,230,564	473,916,322
208	Corporation of the City of Peterborough	48,136,122	283,596	48,419,718	6,004,331	1,444,766	0	119,237	722,514	56,710,566
209	Corporation of the City of St. Thomas	25,725,611	173,952	25,899,563	4,223,775	1,268,386	0	161,237	501,579	32,054,540
210	Corporation of the City of Stratford	21,095,224	267,953	21,363,177	2,799,455	1,032,855	0	136,037	400,690	25,732,214
211	City of Toronto	1,192,897,451	7,740,746	1,200,638,197	198,264,680	30,730,906	4,783,607	538,074	19,163,228	1,454,118,692
212	Corporation of the City of Windsor	135,358,366	1,173,042	136,531,408	21,049,904	4,032,065	398,000	148,637	2,189,931	164,349,945
213	Corporation of the County of Bruce	23,835,783	70,384	23,906,167	2,752,737	1,053,326	57,755	112,937	395,115	28,278,037
214	Corporation of the County of Dufferin	23,038,169	130,622	23,168,791	2,406,442	889,496	0	110,837	374,457	26,950,023
215	Corporation of the County of Grey	24,391,080	125,855	24,516,935	3,764,027	1,197,915	72,221	110,137	481,565	30,142,800
216	Corporation of the County of Hastings	36,313,886	428,668	36,742,554	5,834,166	1,637,250	324,625	151,437	699,233	45,389,265
217	Corporation of the County of Huron	16,343,730	243,943	16,587,673	2,395,787	950,278	0	130,437	334,611	20,398,786
218	Corporation of the County of Lambton	39,816,084	331,105	40,147,189	7,885,731	2,576,897	340,880	131,837	806,281	51,888,815
219	County of Lanark	22,441,921	292,153	22,734,074	2,851,862	1,051,908	0	154,237	406,872	27,198,953
220	County of Lennox & Addington	12,563,242	178,026	12,741,268	2,526,016	954,328	307,509	116,787	338,318	16,984,226
221	County of Northumberland	17,284,076	356,628	17,640,704	3,003,279	970,536	167,818	111,537	388,237	22,282,111
222	County of Oxford	19,999,129	425,409	20,424,538	3,981,793	1,224,911	63,000	123,437	494,457	26,312,136
223	County of Renfrew	26,369,803	46,362	26,416,165	3,976,323	1,532,203	212,095	117,837	482,811	32,737,434
224	County of Simcoe	155,695,007	2,050,069	157,745,076	17,939,884	4,362,990	643,574	119,587	2,243,433	183,054,544
225	County of Wellington	83,858,996	332,243	84,191,239	8,995,335	2,286,072	0	113,987	1,018,794	96,605,427
226	District Municipality of Muskoka	15,996,117	100,289	16,096,406	2,346,529	949,463	0	123,437	326,288	19,842,123

EFIS ID	CMSM/DSSAB	Cost-Based Allocation	Cost-Based Allocation Holdback	Total Cost-Based Allocation	Local Priorities Allocation	EarlyON	Indigenous-Led	Child Care and Early Years IT Modernization Transformation Fund	Administration Allocation	Total 2027 Allocations
227	Corporation of the Municipality of Chatham-Kent	33,823,232	341,982	34,165,214	7,756,591	1,489,826	151,786	110,137	723,188	44,396,742
228	The Corporation of Norfolk County	17,054,164	384,393	17,438,557	4,087,061	1,214,853	833,000	124,837	470,795	24,169,103
229	Regional Municipality of Durham	232,179,185	1,679,989	233,859,174	28,208,558	5,142,894	259,485	210,237	3,337,751	271,018,099
230	Regional Municipality of Halton	239,264,953	2,548,409	241,813,362	23,727,406	4,777,031	0	206,037	2,996,849	273,520,685
231	Regional Municipality of Niagara	156,017,611	1,996,433	158,014,044	19,800,420	4,594,838	267,091	106,637	2,230,174	185,013,204
232	Regional Municipality of Peel	594,438,638	8,027,650	602,466,288	77,977,273	13,662,542	239,356	127,287	8,146,641	702,619,387
233	Regional Municipality of Waterloo	217,833,183	4,183,340	222,016,523	24,147,298	4,748,059	300,000	129,037	3,198,233	254,539,150
234	Regional Municipality of York	534,736,448	4,990,472	539,726,920	59,918,188	10,655,054	0	128,687	6,903,142	617,331,991
235	United Counties of Leeds & Grenville	27,936,475	224,839	28,161,314	3,780,999	1,149,920	0	123,437	492,646	33,708,316
236	United Counties of Prescott & Russell	26,712,829	409,455	27,122,284	4,154,028	2,102,453	0	110,837	585,044	34,074,646
300	Algoma District Services Administration Board	14,296,464	66,077	14,362,541	2,552,802	1,287,747	0	133,237	317,484	18,653,811
301	District of Cochrane Social Service Administration Board	26,606,696	265,070	26,871,766	5,452,736	2,343,230	137,060	120,637	564,014	35,489,443
302	District of Nipissing Social Services Administration Board	32,327,067	211,892	32,538,959	5,380,842	2,368,196	1,078,561	144,437	606,754	42,117,749
303	District of Parry Sound Social Services Administration Board	9,194,769	81,483	9,276,252	2,740,870	1,278,509	295,364	130,437	323,459	14,044,891
304	District of Sault Ste Marie Social Services Administration Board	26,855,024	149,051	27,004,075	3,824,234	1,792,712	1,905,646	120,637	453,343	35,100,647
305	District of Timiskaming Social Services Administration Board	10,146,987	27,586	10,174,573	3,560,503	1,205,392	422,118	117,837	357,386	15,837,809
306	Kenora District Services Board	35,342,381	271,170	35,613,551	3,861,415	1,807,605	3,235,809	131,837	474,231	45,124,448
307	Manitoulin-Sudbury District Social Services Administration Board	13,310,744	0	13,310,744	3,560,691	1,693,172	320,650	127,637	353,693	19,366,587
308	Rainy River District Social Services Administration Board	13,532,295	0	13,532,295	1,955,998	1,245,382	989,784	115,037	242,799	18,081,295
309	District of Thunder Bay Social Services Administration Board	39,960,472	301,882	40,262,354	7,114,122	2,663,522	1,177,410	137,437	720,143	52,074,988
	PROVINCIAL TOTAL	**5,141,022,117**	**51,938,774**	**5,192,960,891**	**736,242,750**	**161,920,784**	**24,995,710**	**6,732,076**	**80,833,095**	**6,203,685,306**

Appendix B: CWELCC-Related Allocations for January to June 2027 and July to December 2027

EFIS ID	CMSM/DSSAB	Cost-Based Allocation (Jan-Jun)	Cost-Based Allocation Holdback (Jan-Jun)	CWELCC Administration (Jan-Jun)	Child Care and Early Years IT Modernization Transformation Fund (Jan-Jun)	Total CWELCC-Related Allocation (Jan-Jun)	Cost-Based Allocation (Jul-Dec)	Cost-Based Allocation Holdback (Jul-Dec)	CWELCC Administration (Jul-Dec)	Child Care and Early Years IT Modernization Transformation Fund (Jul-Dec)	Total CWELCC-Related Allocation (Jul-Dec)*
200	Corporation of the City of Brantford	21,767,011	218,209	178,916	70,819	22,234,955	21,484,834	151,667	178,916	70,818	21,886,235
201	City of Cornwall	10,767,244	145,366	111,704	61,019	11,085,333	10,843,281	130,249	111,704	61,018	11,146,252
202	City of Greater Sudbury	28,244,974	190,279	198,720	56,994	28,690,967	28,271,461	161,730	198,719	56,993	28,688,903
203	The City of Hamilton	86,099,860	1,427,587	544,752	77,119	88,149,318	84,215,059	1,010,142	544,753	77,118	85,847,072
204	Corporation of the City of Kawartha Lakes	8,882,978	55,247	96,103	65,219	9,099,547	8,872,443	47,201	96,103	65,218	9,080,965
205	Corporation of the City of Kingston	18,523,975	225,391	155,764	65,919	18,971,049	18,241,621	153,250	155,764	65,918	18,616,553
206	Corporation of the City of London	79,845,563	664,006	493,106	105,819	81,108,494	78,783,662	450,122	493,105	105,818	79,832,707
207	City of Ottawa	199,074,744	3,446,935	1,209,890	119,119	203,850,688	194,373,993	2,549,175	1,209,891	119,118	198,252,177
208	Corporation of the City of Peterborough	24,167,828	158,701	162,888	59,619	24,549,036	23,968,294	124,895	162,887	59,618	24,315,694
209	Corporation of the City of St. Thomas	12,940,502	99,680	107,750	80,619	13,228,551	12,785,109	74,272	107,750	80,618	13,047,749
210	Corporation of the City of Stratford	10,684,108	147,913	102,123	68,019	11,002,163	10,411,116	120,040	102,122	68,018	10,701,296
211	City of Toronto	594,996,776	4,118,560	2,496,285	269,037	601,880,658	597,900,675	3,622,186	2,496,282	269,037	604,288,180
212	Corporation of the City of Windsor	67,600,277	647,117	407,372	74,319	68,729,085	67,758,089	525,925	407,372	74,318	68,765,704
213	Corporation of the County of Bruce	11,914,605	41,914	102,265	56,469	12,115,253	11,921,178	28,470	102,265	56,468	12,108,381
214	Corporation of the County of Dufferin	11,556,143	74,555	109,068	55,419	11,795,185	11,482,026	56,067	109,068	55,418	11,702,579
215	Corporation of the County of Grey	12,202,509	73,657	109,211	55,069	12,440,446	12,188,571	52,198	109,210	55,068	12,405,047
216	Corporation of the County of Hastings	18,332,763	247,025	150,706	75,719	18,806,213	17,981,123	181,643	150,706	75,718	18,389,190
217	Corporation of the County of Huron	8,129,922	129,450	85,631	65,219	8,410,222	8,213,808	114,493	85,631	65,218	8,479,150
218	Corporation of the County of Lambton	19,994,996	190,801	158,293	65,919	20,410,009	19,821,088	140,304	158,292	65,918	20,185,602
219	County of Lanark	11,261,552	158,942	102,051	77,119	11,599,664	11,180,369	133,211	102,052	77,118	11,492,750
220	County of Lennox & Addington	6,335,208	104,476	84,028	58,394	6,582,106	6,228,034	73,550	84,029	58,393	6,444,006
221	County of Northumberland	8,700,595	207,666	93,147	55,769	9,057,177	8,583,481	148,962	93,146	55,768	8,881,357
222	County of Oxford	10,192,951	242,851	109,246	61,719	10,606,767	9,806,178	182,558	109,246	61,718	10,159,700
223	County of Renfrew	13,201,269	25,561	108,249	58,919	13,393,998	13,168,534	20,801	108,249	58,918	13,356,502
224	County of Simcoe	78,534,898	1,195,102	503,221	59,794	80,293,015	77,160,109	854,967	503,220	59,793	78,578,089
225	County of Wellington	42,050,740	187,406	210,296	56,994	42,505,436	41,808,256	144,837	210,295	56,993	42,220,381
226	District Municipality of Muskoka	7,980,160	55,696	78,472	61,719	8,176,047	8,015,957	44,593	78,472	61,718	8,200,740

EFIS ID	CMSM/DSSAB	Cost-Based Allocation (Jan-Jun)	Cost-Based Allocation Holdback (Jan-Jun)	CWELCC Administration (Jan-Jun)	Child Care and Early Years IT Modernization Transformation Fund (Jan-Jun)	Total CWELCC-Related Allocation (Jan-Jun)	Cost-Based Allocation (Jul-Dec)	Cost-Based Allocation Holdback (Jul-Dec)	CWELCC Administration (Jul-Dec)	Child Care and Early Years IT Modernization Transformation Fund (Jul-Dec)	Total CWELCC-Related Allocation (Jul-Dec)*
227	Corporation of the Municipality of Chatham-Kent	16,895,434	190,614	134,927	55,069	17,276,044	16,927,798	151,368	134,927	55,068	17,269,161
228	The Corporation of Norfolk County	8,598,863	213,719	101,196	62,419	8,976,197	8,455,301	170,674	101,197	62,418	8,789,590
229	Regional Municipality of Durham	116,573,295	967,295	728,828	105,119	118,374,537	115,605,890	712,694	728,829	105,118	117,152,531
230	Regional Municipality of Halton	120,677,917	1,481,346	730,609	103,019	122,992,891	118,587,036	1,067,063	730,609	103,018	120,487,726
231	Regional Municipality of Niagara	79,090,193	1,150,550	463,151	53,319	80,757,213	76,927,418	845,883	463,150	53,318	78,289,769
232	Regional Municipality of Peel	296,906,852	4,426,350	1,480,412	63,644	302,877,258	297,531,786	3,601,300	1,480,412	63,643	302,677,141
233	Regional Municipality of Waterloo	111,849,788	2,490,607	777,341	64,519	115,182,255	105,983,395	1,692,733	777,340	64,518	108,517,986
234	Regional Municipality of York	268,645,665	2,893,241	1,441,944	64,344	273,045,194	266,090,783	2,097,231	1,441,945	64,343	269,694,302
235	United Counties of Leeds & Grenville	13,975,463	121,750	120,608	61,719	14,279,540	13,961,012	103,089	120,609	61,718	14,246,428
236	United Counties of Prescott & Russell	13,309,959	214,804	146,040	55,419	13,726,222	13,402,870	194,651	146,040	55,418	13,798,979
300	Algoma District Services Administration Board	7,081,376	34,345	70,565	66,619	7,252,905	7,215,088	31,732	70,564	66,618	7,384,002
301	District of Cochrane Social Service Administration Board	13,278,426	148,788	105,756	60,319	13,593,289	13,328,270	116,282	105,755	60,318	13,610,625
302	District of Nipissing Social Services Administration Board	16,064,230	115,882	123,779	72,219	16,376,110	16,262,837	96,010	123,778	72,218	16,554,843
303	District of Parry Sound Social Services Administration Board	4,629,908	46,278	64,688	65,219	4,806,093	4,564,861	35,205	64,687	65,218	4,729,971
304	District of Sault Ste Marie Social Services Administration Board	13,365,768	83,791	97,278	60,319	13,607,156	13,489,256	65,260	97,279	60,318	13,712,113
305	District of Timiskaming Social Services Administration Board	5,041,524	14,237	61,233	58,919	5,175,913	5,105,463	13,349	61,232	58,918	5,238,962
306	Kenora District Services Board	17,634,068	142,613	113,057	65,919	17,955,657	17,708,313	128,557	113,058	65,918	18,015,846
307	Manitoulin-Sudbury District Social Services Administration Board	6,621,813	0	64,046	63,819	6,749,678	6,688,931	0	64,047	63,818	6,816,796
308	Rainy River District Social Services Administration Board	6,731,840	0	57,172	57,519	6,846,531	6,800,455	0	57,172	57,518	6,915,145
309	District of Thunder Bay Social Services Administration Board	20,108,957	164,069	109,246	68,719	20,450,991	19,851,515	137,813	109,246	68,718	20,167,292
	PROVINCIAL TOTAL	**2,581,065,490**	**29,380,372**	**15,261,133**	**3,366,061**	**2,629,073,056**	**2,559,956,627**	**22,558,402**	**15,261,125**	**3,366,015**	**2,601,142,169**

*CWELCC-related allocations for July to December 2027 are contingent on the signing of an incremental amending agreement with the federal government.

Appendix C: Detail on Space Creation Priorities

This appendix aims to provide further clarity on ministry priorities for space creation prior to the Child Care Licensing System (CCLS) input milestone of November 30, 2026.

School-based Spaces

The Ministry strongly encourages CMSMs/DSSABs to prioritize school-based child care spaces wherever feasible. School-based spaces should be considered the preferred long-term approach to supporting child care access and future system growth.

CMSMs/DSSABs should plan for the future occupancy of school-based spaces by community-based operators either through a natural attrition of community-based spaces or a transparent process to identify operators interested in relocating to new schools.

Alignment with Directed Growth Plans

Despite the absence of new child care space creation under a renewed CWELCC agreement, Ontario will continue to prioritize equitable access through its *Access and Inclusion Framework* and *Directed Growth Strategy*.

Existing, unused, and reallocated spaces should continue to be directed to historically underserved populations identified in CMSMs'/DSSABs' Directed Growth Plans, including children from low-income families, children with special needs or requiring enhanced supports, Francophone children, Indigenous children, newcomer children, Black children, and other racialized children. CMSMs/DSSABs are expected to exhaust opportunities to allocate spaces within identified Directed Growth communities before considering reallocation elsewhere.

However, the Ministry recognizes that, in some communities, Directed Growth priority areas may be saturated. Where this is the case, CMSMs/DSSABs should ensure they have documented internal policies outlining their space reallocation prioritization process.

To support this process, CMSMs/DSSABs should identify secondary priority neighbourhoods that may be considered for space allocation. These neighbourhoods should be selected based on demonstrated need, including, but not limited to, the presence of underserved or marginalized populations. These policies can include spaces ready to go online but are not included in the CMSM's/DSSAB's Directed Growth Plans, as well as spaces from licensees that have applied to CWELCC but are still pending approval.

Auspice Flexibility

CMSMs/DSSABs should continue to prioritize not-for-profit space creation and, where this is not possible, target any additional for-profit spaces created to underserved and vulnerable populations or communities identified through their Directed Growth Plans.

However, as communicated in the March 16, 2026, memo, where auspice is the sole barrier to meeting overall space targets, CMSMs/DSSABs should contact the ministry to determine whether flexibility may be available with respect to province-wide targets. CMSMs/DSSABs seeking auspice flexibility are asked to complete a ministry-provided Auspice Flexibility Request form. CMSMs/DSSABs experiencing auspice-related constraints are reminded to submit their completed forms by November 30, 2026.

Appendix D: Technical Adjustments to reflect Market Rate Rent for Licensees operating in Provincially Owned Buildings

As you may know, the provincial government has been actively working to improve and streamline the management of government real estate. Beginning in January 2027, the Province will begin introducing market rate rent for child care licensees operating in provincial government-owned buildings who were previously paying no rent or occupancy charges only.

Infrastructure Ontario has been negotiating new lease agreements with the affected child care licensees. This change will result in increased operating costs for some licensees starting in 2027. To maintain stability and minimize disruptions for these licensees, the ministry has provided funding within 2027 cost-based funding allocations to support licensees impacted by this transition.

Chapter 2: Division 2, CWELCC Cost-Based Funding Guideline, Part 1 (Section 1.1) has been updated to provide detailed instructions to CMSMs/DSSABs to determine a one-time adjustment to rolling top-ups for 2027 to reflect the introduction of market rate rents for centres/agencies operating in provincial government-owned buildings.

- Eligibility is limited to legacy centres/agencies that demonstrate to CMSMs/DSSABs the direct impact of the introduction of market rate rent. Supporting documentation can include updated lease agreements with the provincial government or its Crown corporations (e.g., Infrastructure Ontario).
- CMSMs/DSSABs must follow the steps outlined in step 3b of section 1.1(b)(iii) of *Chapter 2: Division 2, CWELCC Cost-Based Funding Guideline* to determine the adjustment to the 2027 rolling top-up.
- In general terms, the one-time adjustment to the rolling top-up reflects the incremental rent an eligible centre/agency incurred as a result of the introduction of market rate rent in provincial government-owned buildings.
- The one-time adjustment amount (incremental rent) is the difference between the 2025 equivalent of an eligible centre's/agency's rent and the 2027 updated rent (as reflected in the lease agreement).

Adjustment Included in 2027 Cost-Based Funding Allocation

EFIS ID	CMSM/DSSAB	Adjustment to 2027 Allocation
211	City of Toronto	849,792
216	Corporation of the County of Hastings	204,483
225	County of Wellington	237,661
230	Regional Municipality of Halton	457,654
231	Regional Municipality of Niagara	160,406
304	District of Sault Ste Marie Social Services Administration Board	139,811
	Total	**2,049,807**

Note: Amounts are shown separately here for clarity only, and are included in, not in addition to, the 2027 cost-based funding allocations shown in Appendices A and B.