



# What We Heard Report

## Child Day Care Regulations: Phase One

### Engagement Summary

June 2023

Government of  
Northwest Territories

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## Executive Summary

Early learning and child care is a priority for the Government of the Northwest Territories (GNWT). The [Mandate of the 19<sup>th</sup> Legislative Assembly](#) (2019-2023) identifies actions to advance universal child care by expanding availability and affordability.

The GNWT Department of Education, Culture and Employment (ECE) determined proposed amendments to the [Child Day Care Act](#) (Act) and [Standard Regulations](#) (Regulations) were necessary to ensure the implementation of the [2030 ELCC Strategy](#) and achievement of the targets identified within the [Canada-NWT Early Learning and Child Care \(ELCC\) Agreements](#) (Canada-wide Agreement) and [Action Plans](#).

In June 2022, ECE invited public input on the *Act*. Amendments to the *Regulations*, are needed to align with the *Act* and to ensure necessary regulatory changes related to targets and reporting associated with the *Canada-wide Agreement* in advance of the 2023-24 fiscal year.

The first phase of engagement includes proposed amendments to the existing [Early Learning and Child Care Standards Regulations](#) (Standard Regulations) and the new [Early Learning and Child Care Funding Regulations](#) (Funding Regulations) which will focus on:

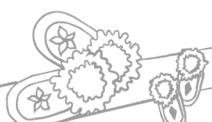
- Establishing maximum fees for newly licensed early learning and child care programs based on space type that are consistent with the rates in place since the roll-out of the [Child Care Fee Reduction \(CCFR\) Subsidy](#).
- Developing financial reporting requirements for licensed programs that receive GNWT funding.
- Establishing reporting requirements related to demographics of children in early learning and child care programs and program information.

These proposed amendments will:

- reduce administrative requirements for licensed programs and the GNWT, by replacing previous contribution agreements with regulations.
- promote financial stability, provide transparency for licensed program operators and the public about funding, and begin to reduce the administrative requirements for licensed programs and GNWT.
- comply with the terms of the *Canada-wide Agreement* and to inform transformation of the system to support meeting the needs of young children and families.

From March to April 2023, ECE publicly engaged on phase one of the proposed amendments to the *Regulations*.

This What We Heard Report summarizes the feedback received and will be used to guide the subsequent phases on the proposed amendments to the *Regulations*.



## Introduction

The *Act and Regulations* set minimum standards that ensure the quality, care, instruction, and supervision of children in facilities outside of their home.

The GNWT is working with the Government of Canada to meet the targets identified within the *Canada-wide Agreement and Action Plans*. This work is aligned with the vision, commitments, and goals outlined in the *2030 ELCC Strategy*.

Although many other jurisdictions had the existing legislative authority to allow for the full and immediate implementation of their agreements with Canada, prior to amendments that came into effect in April and May 2023, the NWT *Act and Regulations* did not provide the authorities necessary to implement many aspects, including the authorities to establish a wage grid, implement cost control measures, and collect data on inclusion from licensed programs.

In June 2022, ECE invited the public to provide their feedback on the proposed amendments to the *Act*. Input from the engagement were used to inform the development of [\*Bill 68: An Act to Amend the Child Care Day\*](#). A summary of the findings has been captured in this [What We Heard Report](#).

ECE is taking a phased approach to develop amendments to the *Regulations* to allow the time for engagement to ensure the legislative changes supports and meets the needs of Indigenous Governments, early learning and child care program operators, early childhood educators, children, and families.

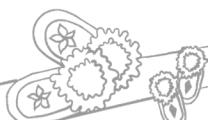
Beginning in February, ECE engaged with the Northwest Territories Early Childhood Association (NWTECA) and licensed early learning and child care program operators on draft regulations in advance of public engagement. From March to April 2023, ECE publicly engaged on the proposed amendments to the *Standards Regulations* and new *Funding Regulations*.

The *Standard Regulations* set out the minimum standards that must be met by a licensed early learning and child care program to ensure the safety, well-being, and developmental needs of children are met, as well as updated demographic reporting requirements for new programs and cost control measures, like maximum fees.

The *Funding Regulations* set out the mechanisms for how funds are allocated to licensed programs along with related financial reporting requirements and restrictions on child care fee increases.

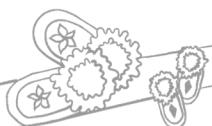
To ensure there was adequate time following the public posting of the regulations, ECE adjusted the timing for the *Act* and the *Standard Regulations*, and new *Funding Regulations* to come into force on May 1, 2023.

Additional phases will be influenced and determined as engagement with the sector continues throughout the 2023-2024 fiscal year on regulatory changes that will establish a wage grid and certification process and a new funding mechanism.



The feedback gathered through engagement with Indigenous Governments, licensed early learning and child care program operators, early childhood educators, NWTECA, families, and the public on the proposed *Standard Regulations* amendments and new *Funding* Regulations, followed by the subsequent updates on the *Regulations* will be used to support the transformational changes to the early learning and child care system in the NWT.

ECE would like to thank those who provided feedback through the engagement process to help inform the first phase of proposed changes to the *Regulations*. Your contributions are valued and appreciated.



# Methodology

## Community-based ELCC Partners Engagement

Virtual engagement on the first phase of the proposed amendments to the *Regulations* with licensed early learning and child care program operators, including those operated by Indigenous Governments and the NWTECA were held from February 27, 2023, to March 24, 2023.

The NWTECA was sent an invitation to discuss the draft. Two virtual meetings were held.

Early learning and child care program operators were invited to virtual engagement sessions to discuss the draft. Two weekday evening sessions and one weekend afternoon session were available for operators to select from. An additional weekday afternoon session was offered in response to operator's feedback. Participants were invited to attend if it did not impact the ability to operate and comply with the *Act* and *Regulations*. Some participants attended more than one engagement.

The sessions were facilitated by ECE staff with interpretation in French available. A notetaker was in attendance to accurately capture all discussions. Each session consisted of a PowerPoint presentation based on a close-to-final draft on the proposed amendments to the *Regulations*. The presentation was divided into two sections: changes to the *Standard Regulations* and the new *Funding Regulations*. Participants were able to provide comments and questions during and after the presentation.

## Public Engagement

The public engagement was held from March 29, 2023, to April 27, 2023.

The *Standards Regulations* and *Funding Regulations* were accessible on the GNWT's [public engagement website](#).

A copy of the *Child Day Care Act*, A copy of the *Child Day Care Standards Regulations*, and an information sheet on the overview of the proposed changes to the *Regulations* were also available to help inform participants and support their feedback.

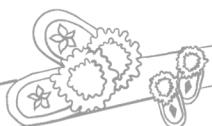
Responses could be provided by email at [earlylearning@gov.nt.ca](mailto:earlylearning@gov.nt.ca).

A [public service announcement](#) and social media communications were published to ensure NWT residents were informed of the engagement opportunity.

ECE sent an email to licensed programs with information on the public engagement to ensure they were aware of the opportunity to provide feedback.

When the engagement period concluded, ECE reviewed the feedback to look for patterns in what was said. ECE cross-referenced and discussed responses and interpretations of responses for quality

assurance and analyzed them. Some participants opted to provide feedback on multiple occasions, either to provide additional insight or to reinforce their initial opinions. All findings are presented to ensure that each participant's feedback is reflected accurately in a comprehensive and equitable manner, as well no one person, program, or Government can be identified.



## Limitations and Mitigation Strategies

**Table 1: Limitations, Impacts, and Mitigations for Limitations**

Limitation	Impact	Mitigation Strategy
<b>Relatively small size of the program's target group posed threats to confidentiality of early childhood professionals and operators interviewed.</b>	<p>The limitation does not directly impact validity or reliability of the findings.</p>	<p>In the process of transcription and reporting, summary of discussions was edited to exclude identifiers in the document.</p>
<b>Dependence on voluntary participation of Indigenous Governments, early childhood educators and operators, and the public.</b>	<p>Low participation rates in the engagement may adversely affect the reliability and representativeness of the data. Unrepresentative and unreliable data cannot be used to confidently make decisions on this basis.</p>	<p>To create favourable conditions for participation, ECE:</p> <ul style="list-style-type: none"> <li>a) provided an open opportunity for all NWT residents to participate in the engagement via the GNWT's public engagement website;</li> <li>b) sent invitations to targeted audiences including licensed early learning and child care programs, and the NWTECA.</li> </ul>
<b>Engagement and report conducted internally by ECE.</b>	<p>Engagements coordinated and facilitated by those (ECE) seeking feedback may receive more positive feedback than an external facilitator, as respondents feel less anonymous.</p>	<p>The findings as presented in this report will be provided to all participants and made publicly available. Both engagement sessions and written comments were accepted.</p>

# What We Heard

## Maximum fees

### What does it mean?

Phase one changes will establish maximum child care fees for newly licenced early learning and child care programs (licensed programs) based on age category (infant, preschool, and school-aged). Newly licensed refers to an early learning and child care program for which a licence has never been issued or which has not been licensed at any point in the last six months. This change does not impact existing licensed programs. The GNWT will be engaging with licensed programs over the next year to discuss these changes.

The proposed amendments remove the requirement for CCFR Subsidy contribution agreements with each program operators.

### Why is it important?

These changes are designed to replace the current CCFR subsidy contribution agreement process for licensed programs. This will streamline how CCFR subsidy funding is provided to programs, reducing the administrative requirements on programs and government.

Achieving an affordable early learning and child care system will not be possible if fees charged to families are unlimited. Maximum fees have been considered and/or implemented in other provinces and territories across Canada under the new Canada-wide system, and will be implemented as part of the changes being made to the Act.

### Maximum Fees

Although respondents acknowledged affordable child care for families was important and the CCFR subsidy has been well-received by families in fee-based programs, many operators of programs that do charge fees expressed concern regarding the maximum allowable child care fees established. Some respondents who operate fee-based programs indicated the maximum fees would create a barrier for newly licensed early learning and child care facilities to operate a sustainable and high-quality program. Additionally, one of the respondents stated that the maximum fee may not be reflective of the actual cost in providing child care services, referencing how the fees they charged in their program 20 years ago was higher.

### Annual Allowable Increase

Respondents who provided feedback regarding the maximum fees also expressed concerns about the annual allowable increase, reiterating a similar sentiment for the sustainability of existing licensed programs due to the cost control measure. While respondents acknowledged the process

in place for an additional increase beyond the allowable increase, they emphasized their preference for detailed guidelines on the decision-making process. It was suggested the annual allowable increase should be communicated to programs well in advance of the new fiscal year as this would allow operators ample time to review their finances before determining the need to submit a proposal for an increase above the allowable amount.

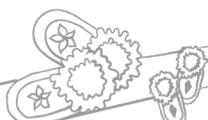
### **Contribution Agreement**

Respondents expressed support for the removal of the CCFR Subsidy contribution agreement to help streamline processes and reduce administration. However, a few respondents noted that they appreciated the detailed guidelines in the contribution agreement, as opposed to the broader wording in the proposed *Funding Regulations*. Some respondents have express concern about the inclusion of the CCFR Subsidy contribution agreement in the *Regulations* as the funding is finite.

Many respondents wanted to be reassured that the transition of the CCFR subsidy contribution agreement to the *Funding Regulations* would not disrupt the payment schedule for programs to receive their funding.

In addition, some respondents also requested language in the *Funding Regulations* to address children that enroll in a program after the 15<sup>th</sup> of the month to be eligible and benefit for the CCFR subsidy the following month and ongoing.

Finally, a few respondents commented on the return of the unused funding for the CCFR subsidy and suggested programs keep any unused funding they receive to reduce child care fees for families as a contingency fund.



## Financial reporting

### What does it mean?

Financial reporting required by licensed programs who receive GNWT funding will continue to follow GNWT financial reporting guidelines and any funding received from other government and/or non-government sources.

In situations where funding amounts do not align, a professional auditor will need to verify that the terms and conditions of GNWT funding were met. This ensures that government funding is being used for its intended purposes

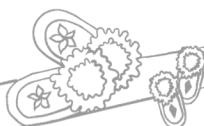
### Why is it important?

These regulations are intended to promote financial stability, provide transparency for licensed program operators and the public about funding for licensed early learning and child care programs, and begin to reduce the administrative requirements for both programs and GNWT.

### Audited Financial Statement

Most respondents expressed a preference for communication to licensed programs regarding the CCFR subsidy threshold for when a program would need to provide audited financial statements. This raised concern about the potential financial and administrative burden that may be placed on programs, particularly for smaller programs such as family day homes. Respondents indicated that they would appreciate flexibility with respect to the audit process, as it may be beyond their control to determine when they receive their audited statement.

Additionally, Indigenous Governments expressed concern regarding the provision outline in the *Funding Regulations*, as the language stipulates that in the event that they would receive funding for early learning from an external source, the GNWT would retain the right to request a financial report from them, even if they are no longer receiving funding from the territorial government.



## Reporting

### What does it mean?

Under the Canada-wide Agreement the GNWT is required to collect demographic and program information related to:

- **Enrolment:** Licensed programs will be required to provide demographic information related to the children attending the licensed program to the GNWT, including the child's name, age, gender, ethnicity, any exceptional needs identified, and any information the operator has received regarding developmental needs.
- **Annual Report:** Licensed programs will need to submit an annual report that includes demographic information on the children in their care. The annual report will also include: total number of children enrolled, capacity of the program, number of Early Childhood Educators in the program and their education/qualification levels, wages received by educators in the program, fees charged to families, and any funding received from other government and/or non-government sources.

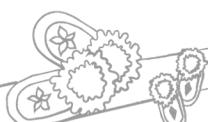
Licensed program operators will be required to collect this information and report this information to the GNWT for each child that enrolls in their program, and to provide an annual update of this information.

### Why is it important?

These changes are required to comply with the terms of the *Canada-wide Agreement* and to inform transformation of the system to better meet the needs of young children and families. An important objective of the *Canada-wide Agreement* is improving the inclusivity of early learning and child care for all children and families in the NWT. It is important for the GNWT to obtain information about children attending licensed programming, including demographic information.

### Privacy for Families

A strong theme among the feedback regarding reporting requirements was a focus on the personal data that will be collected about families and children. While some information is already provided to ECE, there was a general consensus about the belief that the new demographics being asked for are highly sensitive, especially in consideration of minors, and concern that this information could potentially be harmful if it was not handled properly. While it was acknowledged this information is needed to comply with the *Canada-NWT Canada-wide ELCC Agreement*, some respondents suggested the collection of this data should be approached in a way that is voluntary and not personalized to ensure the privacy of families and children.



Participation by families was identified as a challenge, as some respondents indicated families may be hesitant or unwilling to share this information with programs. Many of these respondents expressed the need to ensure the reporting requirements will not lead to barriers in operations or licensing if families refuse to provide the requested information. Suggestions to address these concerns were made, such as providing communications materials and forms to programs that will be shared with families as well as the possibility for families to provide information directly to the GNWT rather than program operators.

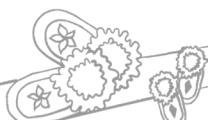
### **Children with Exceptional Needs**

Feedback regarding reporting on children with identified exceptional or additional needs was specifically mentioned by some respondents. The importance of increased support for children with specific needs and the level of access to specialized Health and Social Services professionals such as speech pathologist and occupational therapist throughout the territories was noted as posing a barrier to providing support for children in programs, especially in smaller communities. These respondents stated their concern that the data being collected would not be reflective of the reality. To alleviate this barrier, they communicated the need for additional funding to bridge the gap in the access to health and social services and provide more training opportunities for early childhood educators.

Furthermore, a respondent highlighted concerns regarding the disparities faced by children with specialized needs when accessing early learning and child care programs. Programs indicated the lack of necessary support and resources to provide care, resulting in families being unable to access care or having to alter their work schedule. The respondent emphasized the importance of recognizing that inclusion is a standard practice, and the proposed amendments should take the steps to ensure that children with exceptional needs are provided equitable access to early learning and child care programs.

### **Administration**

Some respondents raised concern regarding the increase in paperwork that would result from the reporting requirements. They noted that this would only add to the existing issue, which already poses a challenge for programs.



## General Findings

Some of the feedback provided did not relate directly to the first phase of the proposed amendments to the *Standards Regulations* and the new *Funding Regulations*. Some respondents expressed dissatisfaction with the amount [lack] of time for engagement and their ability to provide feedback. They would like to ensure future engagements with the early learning and child care community will continue to guide transformational changes in the territories.

Respondents indicated a strong preference for the wage grid, certification process, and funding mechanism to be addressed and providing detailed feedback. The information received on these areas will be taken into consideration during upcoming phases in the regulatory change process.

In addition to the feedback mentioned above, respondents indicated the need to increase support for all licensed early learning and child care programs, early childhood educators, and family day home operators. The feedback received by respondents on the types of support requested was specific to the individual's role they have in the early learning and child care system. Some of the needs mentioned were an increase in funding provided to family day homes, additional one-on-one engagements on the upcoming *Regulations*, and promotion of home-based programs to increase access to families.

## Next Steps

Amendments to the *Child Day Care Act* and the *Early Learning and child Care Standards Regulations*, and new *Early Learning and Child Care Funding Regulations* came into force on May 1, 2023.

Families with children attending licensed early learning and child care programs will continue to receive the CCFR subsidy from ECE to reduce their total child care fees.

ECE will work with the Government of Canada to create a reporting template that aligns with the GNWT *Access to Information and Protection of Privacy Act*.

The feedback from this engagement will support and guide the work when developing, reviewing, and revising future *Regulations* and contribute to ongoing transformation of the early learning and child care system in the NWT.

There will be more opportunities for the early learning and child care community, and the public to provide feedback on the upcoming phases of changes to the *Regulations*.

