GNWT Response to OAG Performance Audit of Early Learning and Child Care

Audit Overview

The Office of the Auditor General of Canada (OAG) Performance Audit of Early Learning and Child Care in the Northwest Territories focused on the department's implementation of legislative, regulatory, and strategic commitments and responsibilities under the Early Learning and Child Care Act, the Canada-Wide Early Learning and Child Care Agreement, and the 2030 Early Learning and Child Care Strategy.

The Performance Audit examined ECE's performance in four key areas:

- Access and affordability
- Inclusion
- Quality
- Inspections of licensed early learning and child care facilities.

The audit was intended to assess whether the department improved access to licensed child care spaces, reduced parent fees, enhanced inclusion for diverse and vulnerable children, improved quality through workforce initiatives, maintained adequate funding oversight, and properly inspected and monitored licensed facilities to ensure compliance with regulatory requirements.

GNWT Response

The GNWT accepts the OAG's findings in the Report and has committed to several actions including:

- **Assessing community needs**
  The GNWT will undertake an NWT-wide early learning and child care needs assessment. It will help identify where spaces are needed, understand barriers to access, and support how we track the demand for spaces moving forward. Part of this work will involve gathering direct feedback from operators, families, Indigenous governments and communities. The needs assessment will also inform the development of a standardized approach to collecting and analyzing information related to demand, utilization and waitlists to support ongoing planning, monitoring and public reporting.

  Estimated completion: Summer 2027

- **Improving transparency in how information is publicly shared**
  The GNWT will strengthen the accuracy and transparency of public reporting, specifically on the number of licensed early learning and child care spaces created. Public reporting will clearly communicate progress toward ELCC commitments and will be published annually, with reporting practices reviewed semi-annually to support accuracy and transparency.

  Estimated completion: Spring 2027

- **Evaluating quality initiatives and their impact on children in early learning and child care**

The GNWT is developing frameworks that will measure, monitor and evaluate performance to assess whether the quality of early learning and child care is improving and having a positive impact on children. The information gathered will help the GNWT understand how well the current programs are working, identify areas for improvement and support changes where necessary.

Estimated completion: Spring 2030

- **Strengthening funding oversight**
  The GNWT will begin implementing an enhanced funding verification process in November 2026, to ensure payments to licensed facilities are accurate. This process will establish clear documentation requirements, risk-based validation, and ongoing monitoring to ensure payment accuracy and proper use of public funds. The GNWT will work closely with licensed facilities to keep the process practical, efficient and supportive while also recognizing that additional information will need to be collected to meet the recommendation of the OAG.

  Estimated completion: Spring 2027

- **Supporting inspectors**
  While the audit found that some inspections were not completed within required timelines and that some inspection documentation was incomplete, it did not identify situations where children's safety was compromised in licensed facilities. All licensed early learning and child care facilities in the NWT are required to meet the requirements established under the *Early Learning and Child Care Regulations*. Regular inspections are an important part of the department's responsibility to monitor compliance with these standards and ensure children are in safe, healthy environments.

  The department acknowledges the gaps in its inspection and documentation. The GNWT has already begun strengthening inspections oversight through enhanced tracking of inspection schedules and follow-up activities, as well as improved training and guidance for inspectors. The Department will continue to expand and standardize training requirements for inspectors, clarify roles and responsibilities, and strengthen inspection processes to support consistent application of regulatory requirements across the territory.

  Estimated completion: Fall 2027, pending anticipated changes to the ELCC Regulations

- **Strengthen workforce planning**
  The GNWT will develop new tools to improve workforce data collection and support planning for the early learning and child care sector. The system will provide more accurate and reliable workforce data, helping track educator certification, recruitment, retention and movement within the sector while supporting long-term workforce planning and capacity building. The Department will also use this information to improve public reporting on workforce trends and the number of certified early childhood educators across the Northwest Territories.

  Estimated completion: Summer 2028

- **Supporting Inclusive Child Care Spaces**
  The GNWT will finalize and implement an inclusion framework to support participation of diverse and vulnerable children in licensed early learning and child care facilities. The NWT and Canada recently agreed on what an inclusion framework should look like, recognizing the need to better capture how many existing spaces are inclusive, and how many new spaces are required.

  Estimated completion: Spring 2029