

2026 DAYCARE REPORT ONTARIO

*A report on funding, enrollment, and operations
across the childcare sector in Ontario, Canada*

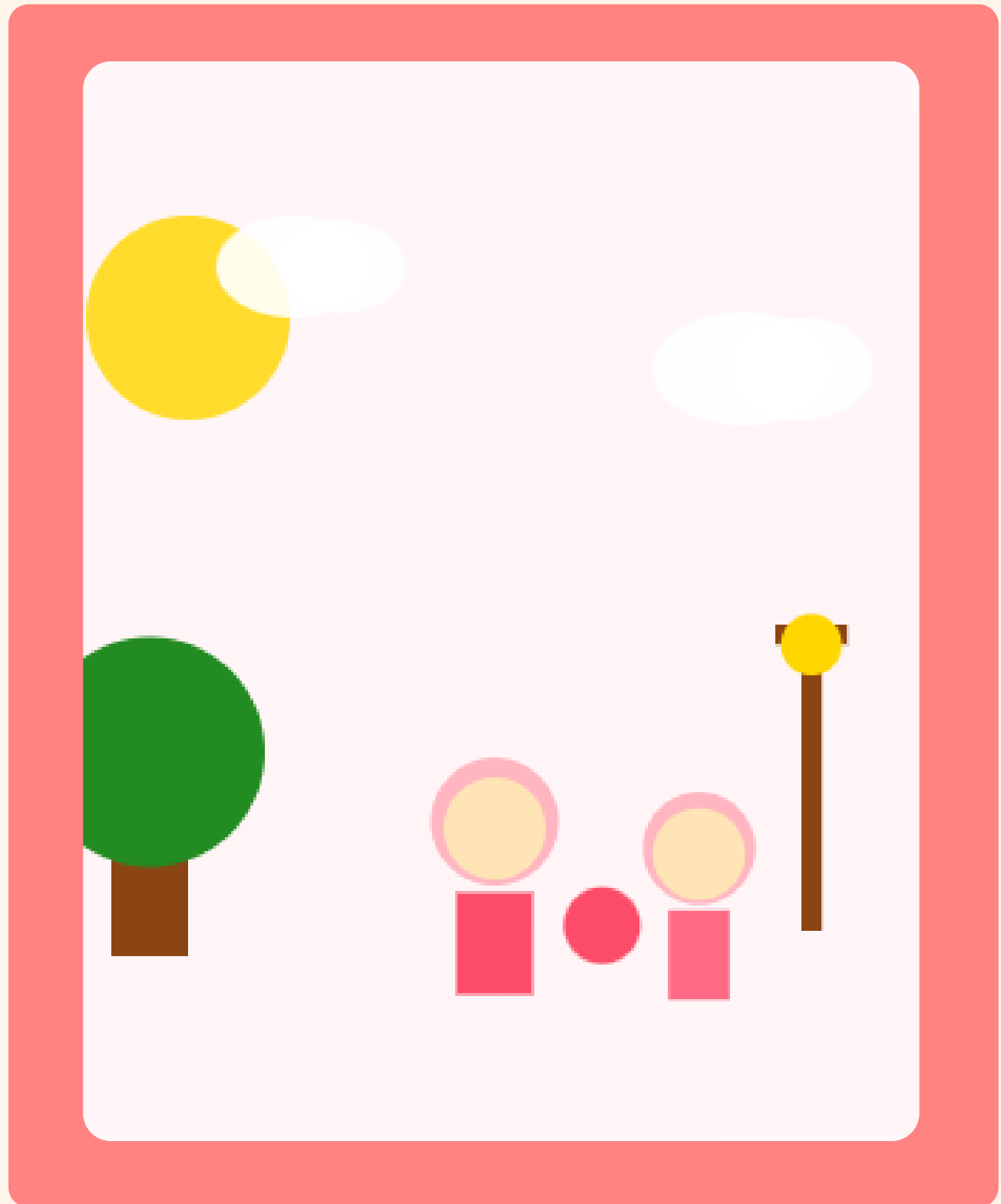


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1. Executive summary

Ontario's licensed child care sector is large and growing each year, and while most public attention focuses on centre-based care, home child care plays a distinct and important role in serving families seeking child care that is close to home.

This report combines publicly available provincial data with operational data observed across home child care organizations to describe the current state of the sector heading into 2026.

\$5.98B provincial funding allocated in 2026	8,560 licensed facilities across Ontario	165 licensed home child care agencies	1 in 5 children in home care are subsidized
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Key Findings

- Ontario's child care system has a strong focus on child care centers (e.g. YMCA), as home child care agencies make up under 3% of active licensed daycare facilities, despite serving a meaningful share of infants and toddlers. ¹
- Funding flows through a layered system: federal dollars to the province, provincial dollars to 48 Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs) regions, and regional dollars to individual operators. Operator-level funding is not publicly disclosed.
- Toronto, Peel, and York alone account for over \$2.7 billion of the \$5.98 billion in 2026 allocations, roughly 45% of total provincial funding.
- Enrollment in home child care skews towards the younger ages: 54.8% of children are aged 1-2, and 6.6% are over the age 5, reflecting the role home care plays for families with infants and toddlers.
- Attendance follows a predictable seasonal pattern, with absence rates peaking near 32.8% in December and falling to their lowest point in June at 14.4%, just before the summer holiday season.

2. Ontario Child Care Overview

Child care in Ontario operates through a layered governance structure. The federal government provides funding through Canada-wide early learning and child care agreements. The province sets rules, licenses programs, and distributes that funding, and 47 local CMSMs and DSSAB manage funding distribution, fee subsidies, and service planning within their regions.⁴

How The System Is Structured

Federal government	Provides funding through Canada-Ontario child care agreements.
Ontario Ministry of Education	Sets rules, licenses programs, inspects, enforces, and sends funding to CMSMs/DSSABs.
CMSM / DSSAB	Local child care service manager. Distributes funding locally and manages subsidies and service planning.
Licensed operator or agency	Runs child care programs or oversees home child care providers.
Families / children	Receive services and fee reductions where the operator participates in eligible funding programs.

The Facility Landscape

Across the province, 8,560 facilities appear in the most recent ministry licensing file. Of these, 6,255 are currently active. Home agencies, which oversee individual home providers rather than operating a single site, account for fewer than 3% of active facilities.¹

Ontario licensed child care by facility status

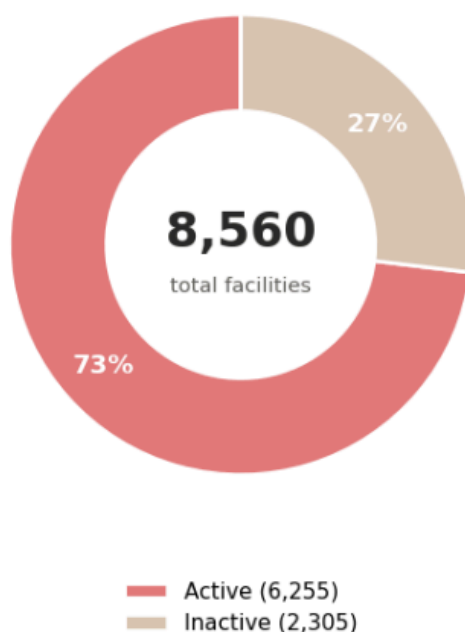


Figure 1. Facility status across Ontario's licensed child care system

Source: Ontario Ministry of Education child care licensing file¹ see Appendix A for the full data set.

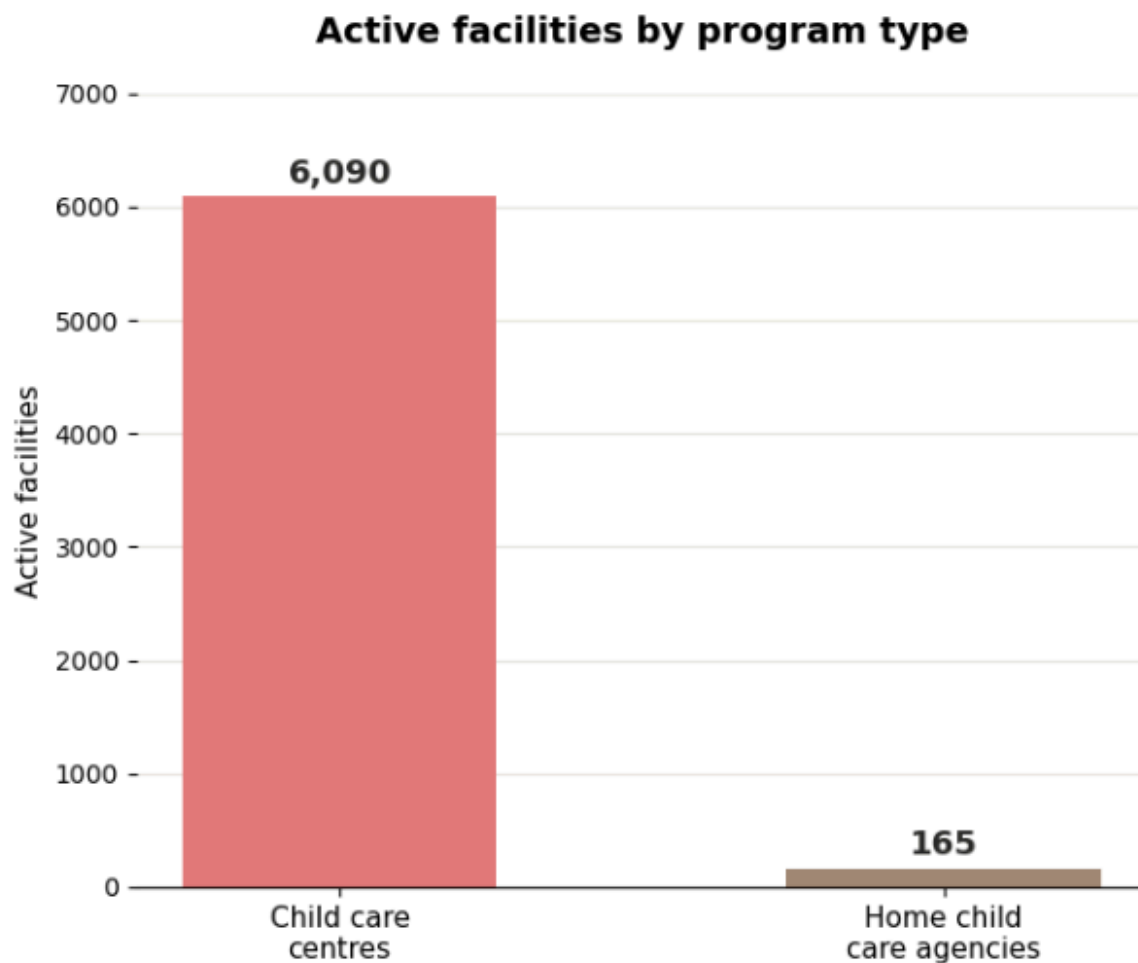


Figure 2. Facility program type across Ontario's licensed child care system

Source: Ontario Ministry of Education child care licensing file¹ — see Appendix A for the full data set.

Home child care is a small portion of the licensed system by facility count, but because each home child care agency oversees many individual providers, its reach in terms of children served and families touched is larger than the facility count alone suggests.

3. Funding Allocation

The Canada-Ontario early learning and child care agreement estimated Ontario's total allocation at \$13.2 billion from 2021 through 2026-27, with a five-year federal notional allocation of just over \$10.2 billion for 2021-22 through 2025-26. ²

For 2026, the Ministry has allocated \$5.98 billion to CMSMs and DSSABs across Ontario. ³

Ontario 2026 Child Care Funding Allocation by Category

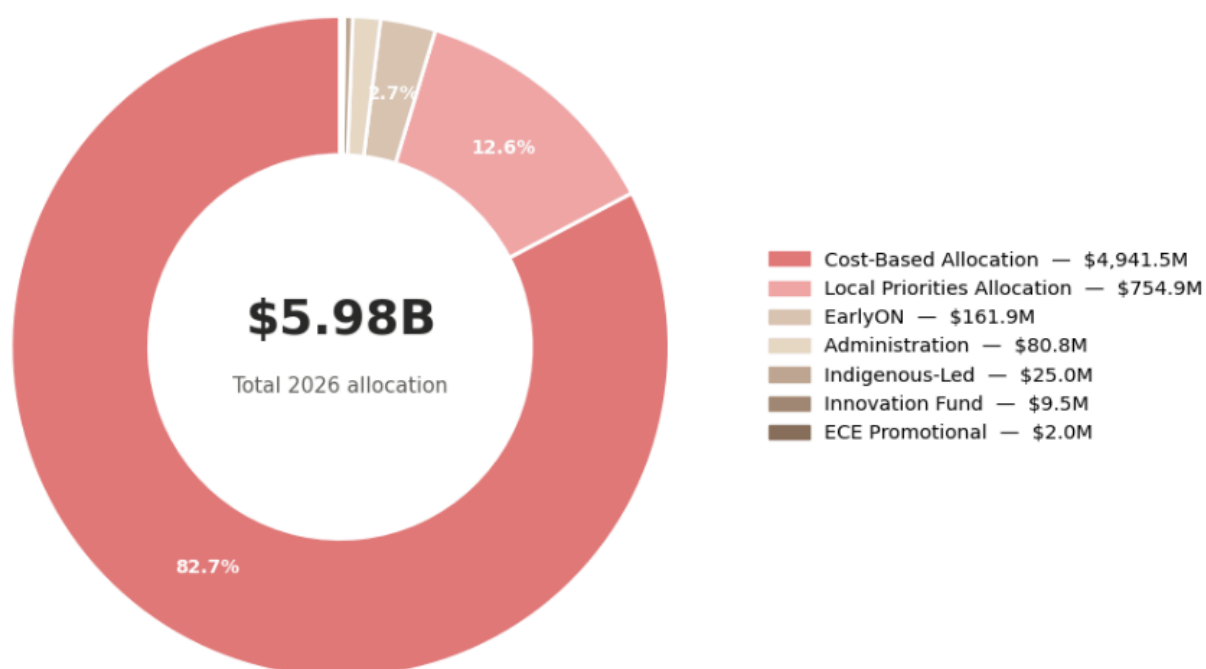


Figure 3. 2026 provincial child care funding by allocation category.

Source: Ministry of Education 2026 Child Care and Early Years Funding Guidelines memo — full data in Appendix B.

The cost-based allocation, which funds day-to-day operating costs for eligible centres and agencies under the Canada-Wide Early Learning and Child Care (CWELCC) framework, makes up the large majority of the total at \$4.94 billion (~83% of funding). ³

Local priorities funding, which CMSMs and DSSABs direct toward region-specific needs, accounts for a further 12.6%. The remaining categories together make up less than 5% of the total. ³

Funding by Region

Funding is not distributed evenly across the province. The ten largest CMSM/DSSAB regions account for the majority of total allocations, led by the City of Toronto at just under \$1.5 billion.

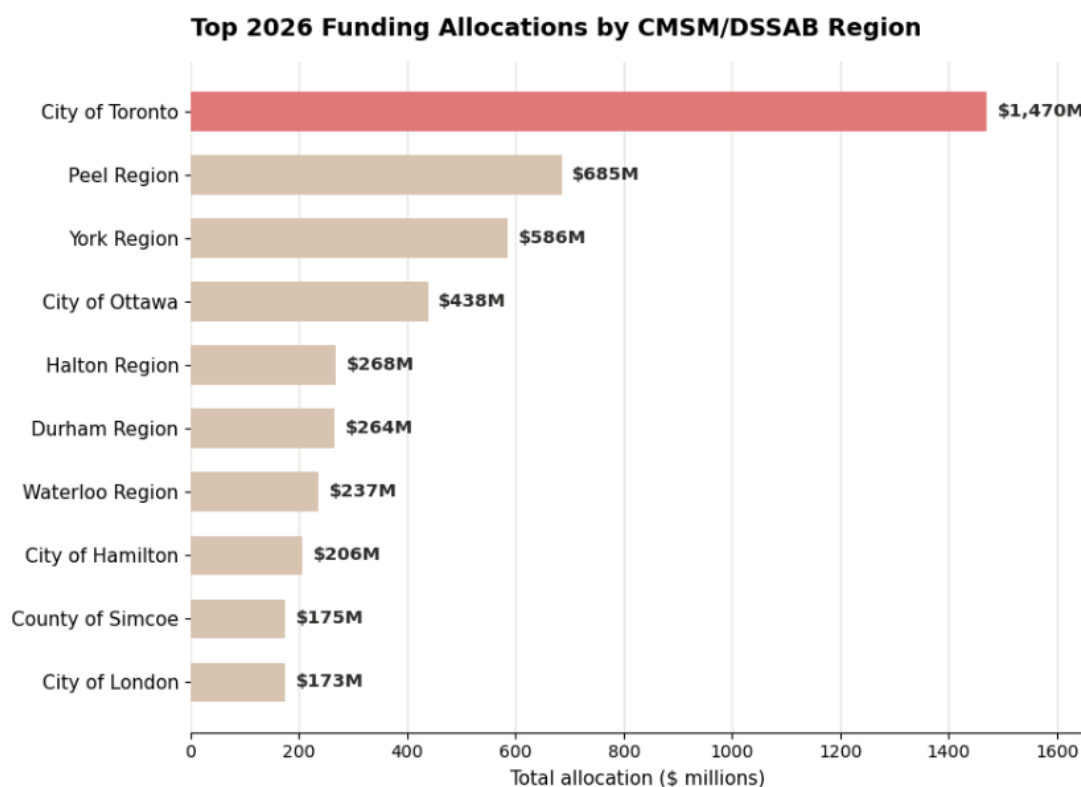


Figure 4. Top 10 CMSM/DSSAB regions by total 2026 funding allocation, in millions of dollars.

Source: Ministry of Education 2026 funding allocation memo — full data table in Appendix B.

Toronto, Peel, and York together receive approximately \$2.74 billion, close to 46% of the entire provincial allocation. This reflects both population size and the higher cost of operating child care in the Greater Toronto Area.

4. Attendify Home Child Care Data Trends

Home child care generally serves younger children in smaller group settings, and supports families who need flexible scheduling or live in areas with limited centre-based capacity. The patterns below are drawn from operational data observed across home child care organizations using Attendify.

Attendify is a management software serving licensed home care networks across Ontario, supporting operators with attendance tracking, subsidy management, billing, parent management and compliance reporting.

Data in this report is drawn from the Attendify platform across its franchise networks, capturing the records of over 4,000 active children and 540,000 care logs during the 2025 operating year. The network represents approximately 12% of Ontario licensed home child care agencies and has enabled over \$100 million in billing and payouts.

Children Age Distribution

Enrollment skews heavily toward younger children. Children aged 1 to 2 make up the largest single group, and together with children aged 3 to 4, account for the majority of enrollment.

Age distribution of children in home-based care

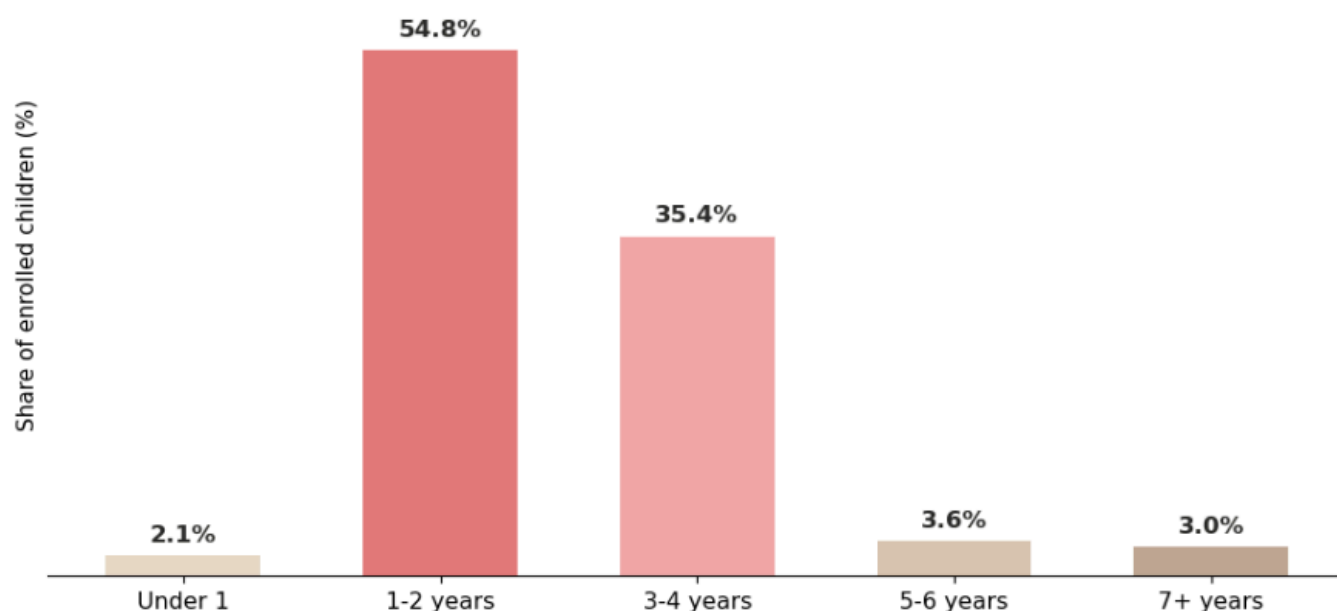


Figure 5. Age distribution of children enrolled in home-based child care, by share of total enrollment.

This pattern is consistent with the role home child care typically plays, as many families turn to home-based settings during the infant and toddler years, before transitioning to centre-based daycares or enrolling in school as children approach school age.

Subsidy Rates

Roughly one in five children in home child care are enrolled under a subsidy arrangement, with the remainder privately paying for care.

For context, a 2021 government report found that 54% of children in licensed home child care received a fee subsidy at that time.⁶ Since the introduction of CWELCC in 2022, the provincial government no longer publishes subsidy-rate breakdowns, making the 2026 subsidy rate comparisons unavailable through public data sources.

Subsidy status among home child care families

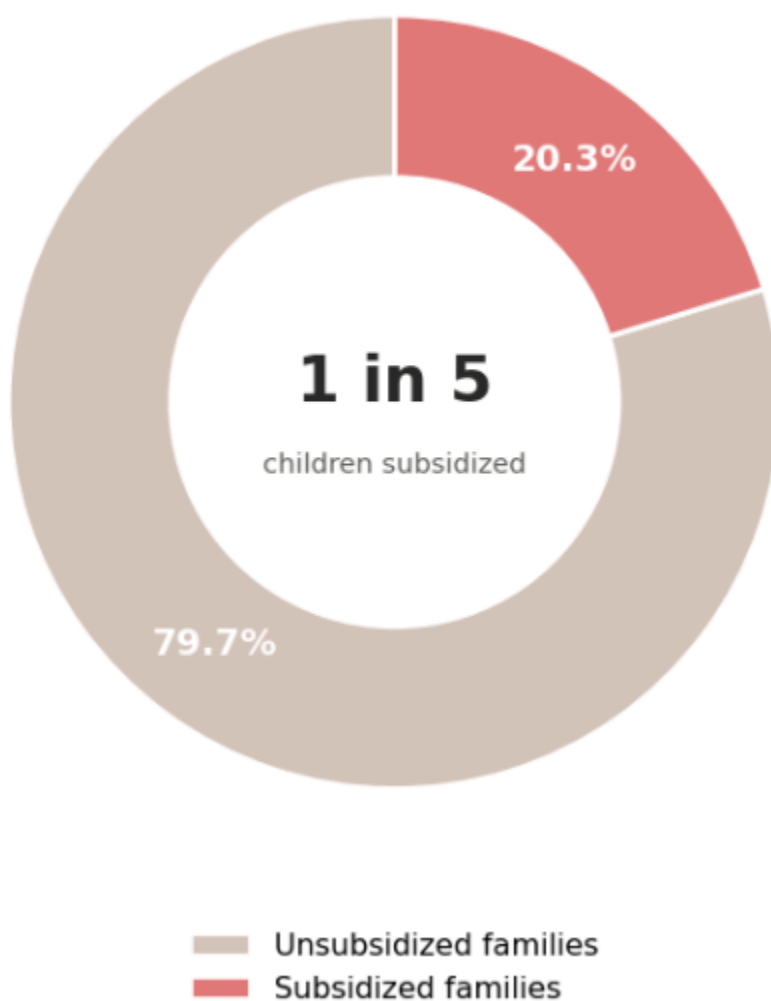


Figure 6. Share of children in home child care enrolled under a government subsidy versus private pay.

Attendance Patterns Through The Year

Attendance is not flat across the year. Absence rates follow a clear seasonal pattern, increasing through the winter months and dipping once school routines resume in September.

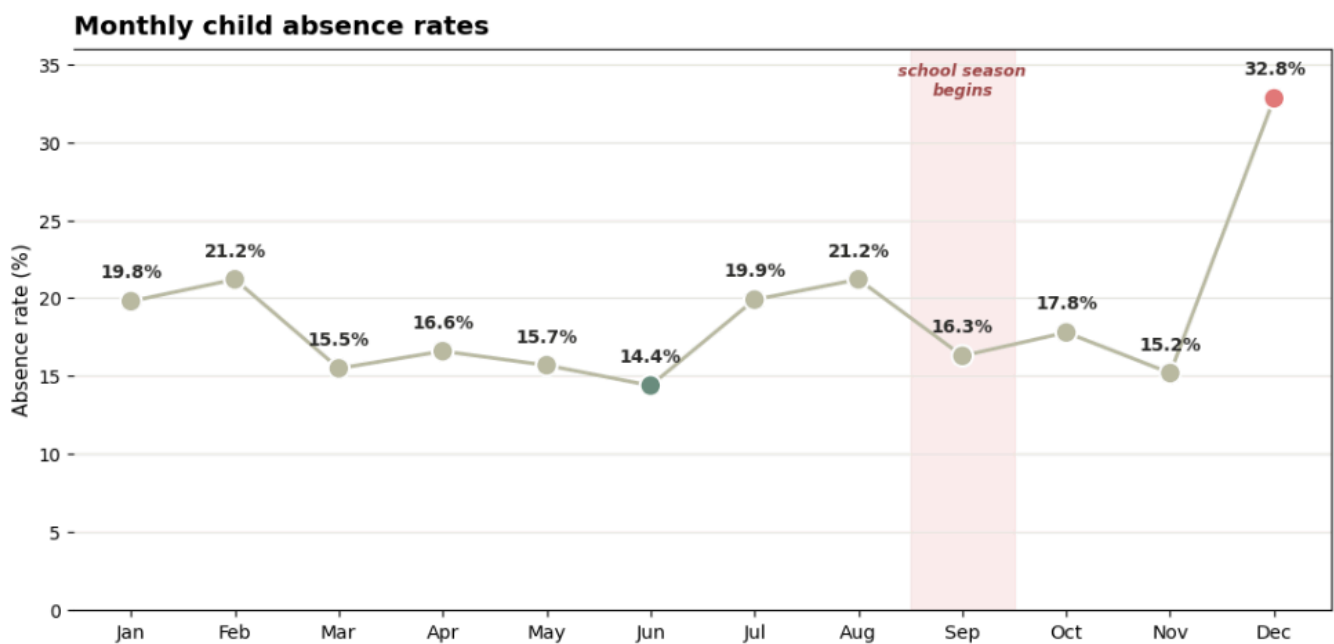


Figure 7. Monthly absence rate across home child care organizations in a full year (2025)

December stands out sharply, with absence rates reaching 32.8%, more than double the rate seen in the lowest month, June, at 14.3%. This is consistent with holiday travel, school breaks, and seasonal illness. The drop from August (20.0%) to September (16.3%) is also notable. It suggests that the start of the school year brings a strong, predictable return to routine attendance, even for children not yet in school themselves, likely tied to the broader return to routine each fall.

6. Key Findings

In 2026, the daycare industry in Ontario:

- Received \$5.98 billion flowing to provincial CMSMs and DSSABs for the 2026 operating framework.
 - Transparency stops at the regional level, as how that money is ultimately distributed among individual operators is not publicly available.
- Home child care is numerically small but equally as important. Fewer than 3% of active facilities are home child care agencies, yet they fill a specific and important gap for infant and toddler care.
- Demand is concentrated where the money is. Toronto, Peel, and York account for nearly half of all provincial funding, reflecting both the population concentration and cost of operating in the GTA.
- Attendance is seasonal and predictable. December absence rates are more than double the annual low, giving operators a clear, data-backed basis for staff scheduling.

7. Sources

- ¹ Licensed child care facilities in Ontario - December 2025 - Ontario Data Catalogue. (2025). Ontario.ca. <https://data.ontario.ca/dataset/licensed-child-care-facilities-in-ontario/resource/2b81313c-9ada-4680-abba-4470ec386a2e>
- ² Government of Canada. Canada – Ontario Canada-wide early learning and child care agreement - 2021 to 2026. <https://www.canada.ca/en/early-learning-child-care-agreement/agreements-provinces-territories/ontario-canada-wide-2021.html>
- ³ Ministry of Education Early Years and Child Care Division 315 Front Street West, 11 th Floor Toronto ON M7A 0B8. (n.d.). https://efis.fma.csc.gov.on.ca/faab/Memos/CC2025/EYCC05_EN.pdf
- ⁴ Municipal Structures | AMO. (2022). Amo.on.ca. <https://www.amo.on.ca/municipal-structures>
- ⁵ Law Document English View. (2018). Ontario.ca. <https://www.ontario.ca/laws/regulation/150137>
- ⁶ Early Learning and Child Care. (2020). https://www.canada.ca/content/dam/esdc-edsc/images/programs1/early-learning-child-care/reports/national-progress-2020-2021/4707-npr-elcc-2020-2021-en_20250113.pdf

8. Appendix

Appendix A: Facility Overview

Supporting detail for Section 2. How the Ontario child care system is structured from the sources cited above.

Metric	Value
Total facilities in file	8,560
Active facilities	6,255
Inactive facilities	2,305
Distinct licensees/operators	3,379
Municipalities / cities listed	777
CMSM/DSSAB labels	47
Active child care centres	6,090
Active home child care agencies	165

Appendix B: Funding Data

Supporting detail for Section 3. All figures from the Ministry of Education's 2026 funding allocation memo, Appendix A (page 5).

B.1 — 2026 Provincial Funding By Category

Category	Amount	Purpose
Cost-Based Allocation	\$4,941,517,288	Main operating/cost-based funding envelope for eligible agencies
Local Priorities Allocation	\$754,921,900	Local child care priorities managed by CMSMs/DSSABs
EarlyON	\$161,920,784	EarlyON child and family programs
Administration Allocation	\$80,833,095	CMSM/DSSAB administration and reporting
Indigenous-Led	\$24,995,710	Indigenous-led programming and supports
Innovation Fund	\$9,500,000	Time-limited innovation projects
ECE Promotional Fund	\$2,000,000	Time-limited ECE recruitment/retention support

B.2 — Top 2026 Allocations By CMSM/DSSAB

CMSM / DSSAB	Total 2026 allocation
City of Toronto	\$1,470,256,788
Regional Municipality of Peel	\$684,985,035
Regional Municipality of York	\$586,099,619
City of Ottawa	\$438,114,621
Regional Municipality of Halton	\$267,696,872
Regional Municipality of Durham	\$264,499,383
Regional Municipality of Waterloo	\$236,597,112
City of Hamilton	\$205,980,719
County of Simcoe	\$174,902,301
City of London	\$173,188,248

Note: this is funding allocated to the local service manager, not paid directly to any individual daycare operator.

Appendix C: Attendify Home Child Care Operational Data

Supporting data for Section 4. Figures are aggregated across the Attendify franchise network for the 2025 calendar year.

C.1 – Children Age Distribution Across Organizations, 2025

Age group	Children	Share
Under 1 year	90	2.1%
1 - 2 years	2363	54.8%
3 - 4 years	1528	35.4%
5 - 6 years	155	3.6%
7+ years	130	3.0%
Total	7,050	100%

Source: Attendify care log data across the franchise network.

C.2 – Subsidy Status Across All Organizations, 2025

Age group	Children	Share
Under 1 year	90	2.1%
1–2 years	2363	54.8%
3–4 years	1528	35.4%
5–6 years	155	3.6%
7+ years	130	3.0%
Total	4313	100%

C.3 – Monthly Absences And Attendance Across All Organizations, 2025

Month	Absences	Present	Absence rate
January	6,260	25,387	19.8%
February	6,829	25,343	21.2%
March	5,860	31,986	15.5%
April	7,648	38,546	16.6%
May	7,806	41,879	15.7%
June	7,050	42,011	14.4%
July	10,781	43,308	19.9%
August	10,159	37,814	21.2%
September	7,626	39,142	16.3%
October	9,087	41,911	17.8%
November	7,083	39,582	15.2%
December	17,381	35,665	32.8%
Total	103,570	442,574	19.0%

Source: Attendify care log data across the franchise network.

8. Continue The Conversation

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9. Acknowledgements

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