

Provincial Pre-Budget Submission

2025



Table Of Contents

Letter from Jim Bradley, Niaç	jara Regional Chair 3
About Niagara Regio	on4
Growing Sustainable	Services5
Ask: That a Social and Ec Review be undertaken in Association of Municipalit	. ,
Ask: That two-way, all da introduced between Union	y GO Train service be o Station and Niagara 6
Ask: Provide \$200,000 to Niagara's review of Emerg Organization (EMO) functi	• •
Growing Housing	8
Ask: Introduce a dedicate wastewater fund to suppoinfill housing developmen	
Ask: Provide long-term ca increase the supply of cor	apital funding to nmunity housing units 9
Ask: Provide sustainable, funding to support committee complexities of homel	•
Ask: Provide \$750,000 to Niagara's Building Service	support Review11

Growing Healthy and Economically Prosperous Communities12	
Ask: Conduct a review of Public Health base funding as part of the Strengthening Public Health initiative	12
Ask: Increase funding for locally delivered provincial health programs to account for inflation and growing service demands	12
Ask: Provide adequate funding and financial assistance to support Ontario Works, accounting for inflation	16
Ask: Increase Niagara's Canada Wide Early Learning and Child Care allocations to support economic growth	17



Letter from Jim Bradley, **Niagara Regional Chair**

Dear Minister Bethlenfalvy,

On behalf of Niagara Regional Council, thank you for the opportunity to participate in Ontario's 2025 pre-budget consultation. As our governments continue to tackle the ongoing housing crisis and affordability challenges across our province, one thing remains clear: more collaboration is needed to ensure we are adequately supporting today's residents and businesses while preparing for tomorrow.

Niagara continues to grow. Our region added over 30,000 people between 2016 and 2021, representing the largest increase in a five-year period since the baby boom era. Provincial growth projections confirm that our community remains an area of choice for Canadians. In November 2022, the Minister of Municipal Affairs and Housing approved the Niagara Official Plan, with modifications, projecting that Niagara will welcome a population of 694,000 people by 2051.

Economic investment in our region is also increasing. In May 2024, Asahi Kasei announced a \$1.56-billion investment to build a lithium-ion battery separator facility in Port Colborne. In September, Jangbunzlauer announced a \$200-million investment to build Canada's first xanthan gum facility. By 2051, Niagara is estimated to be home to 272,000 jobs.

To ensure we are ready to capitalize on the significant social and economic opportunities these investments offer. our governments must support the creation of healthy, prosperous communities in the long-term.

Increasing Niagara's housing supply, investing in safe and reliable infrastructure, and ensuring programs adequately meet the changing complexity of community need remain top priorities for Regional Council in 2025. Additional revenue tools at the municipal level are also imperative in ensuring local governments have a sustainable fiscal framework that can respond to future growth.

Regional Council is committed to working closely with our provincial partners to create a stronger Niagara and a stronger Ontario. I look forward to collaborating on the above mentioned initiatives so that we can continue Growing Better Together.



Jim Bradley, Chair Niagara Region



About Niagara Region

Endless Opportunity Ready to be Harnessed

Located within the Southern Ontario Greenbelt, Niagara is home to over 525,352 residents living in a mix of urban and rural local area municipalities, each with their own distinct characteristics. Situated within 800 kilometres of 130 million people and in close proximity to Toronto and the USA, Niagara is at the heart of one of North America's business trade corridors. In 2021, \$842.9 billion worth of Canadian/US imports and exports passed through Niagara and the region has been designated as a Foreign Trade Zone Point, reaffirming the critical role our community plays in facilitating trade.

Niagara is the best region to work in and call home, and provincial growth projections confirm that our community remains an area of choice for Ontarians. With an estimated 200,000 new residents and 85,000 new jobs coming to our region by 2051, Niagara offers significant social and economic potential for both our community and the province as a whole.

As we continue to grow, Niagara Region and the 12 local area municipalities remain dedicated to delivering world class programs and services that are responsive to and

affordable for current and future residents. Our two tiers of government are committed to continuous improvement and implementing innovative services that meet community need while achieving efficiencies and maximizing economies of scale.

From providing high-quality drinking water and maintaining regional roads, to operating long-term care homes and administering public health, Regional services support residents throughout every stage of life. Local area services, such as licensing and cultural and recreational services ensure day-to-day public programs are responsive to unique community need. Shared services, such as Niagara Transit, are delivered by our two levels of government. This collaborative approach ensures consistent customer service across our local area municipalities and allows for enhanced coordination of growth across the region.

Our population is growing, new businesses are being created and we continue to work together to deliver innovative and customer focused services to our residents.



5 international border crossings into the U.S.A.



Welland Canal connects the **Great Lakes to the world**



272,000 jobs 2051 projected employment



694,000 2051 projected population



2,810 housing starts (2023) + 3,570 housing permits (2023)



\$683.2 million 2022 non-residential building

construction



Growing Sustainable Services



Ask: That a Social and Economic Prosperity Review be undertaken in partnership with the **Association of Municipalities of Ontario**

As Ontario continues to welcome new residents, the demand for local services continues to rise. Due to changing community needs, municipalities are also facing increasingly complex challenges without the financial tools to solve them. Approximately one quarter of Niagara Region's general tax levy is allocated to housing, long-term care, public health, child care and social services, program areas traditionally within provincial jurisdiction.

The cost of goods required for municipal service delivery has also increased beyond inflation. For example, the price of chemicals for water treatment has risen upwards of 25 per cent. With only two companies selling the product, municipalities have had to absorb cost increases to continue delivering the essential service.

Municipal revenue streams and the ability to take on debt is limited. A social and economic prosperity review would help create a sustainable, accountable provincial-municipal relationship where both orders of government can meet their responsibilities, grounded in:

- Affordability and fiscal sustainability
- Fairness for taxpayers and affordability for residents
- Coordinated and timely infrastructure investment resilient to climate realities
- Increased housing supply and affordability
- Robust health and social services supporting increased economic participation
- Long-term economic development and prosperity for Ontario and its communities
- Modern, effective and streamlined service delivery

The time is right for a province-wide conversation to promote the stability and sustainability of municipal finances.



In 2022, Ontario municipal expenditures subsidized health services, housing and social and family services by \$4 billion (AMO, 2024)



Municipalities only collect 9% of total tax revenue in Canada and face an expanding scope of services downloaded by the provincial government (OMSSA, 2024)



On March 6, 2024, Niagara **Regional Council passed a** resolution requesting that the **Government of Ontario commit to** undertaking a social and economic prosperity review





Ask: That two-way, all day GO Train service be introduced between Union Station and Niagara

Our region is home to world class tourism destinations, post-secondary institutions, and is within commuting distance to the GTHA. Based on Statistics Canada data, there are potentially 130,072 additional student and workforce commuters traveling between our region and Hamilton, Halton, Peel and Toronto. In 2024, Niagara GO had approximately 1,000,000 riders. There is also strong provincial interest in unleashing Niagara's full tourism potential. Niagara welcomes more than 12 million visitors annually, which is four times the population of Toronto.

In 2024, with the help of both the Government of Ontario and Canada, Asahi Kasei announced a \$1.56-billion investment to build a lithium-ion battery separator facility in Port Colborne, representing significant economic potential for Niagara and Ontario as a whole. Safe and reliable public transit is paramount to the success of these ongoing investments.

The time is right to build upon the significant work already undertaken by both Niagara Region and Metrolinx to make two-way, all day GO train service between Union Station and Niagara a reality.

Investments To Date

Niagara Region	Metrolinx
 Investments in key transportation infrastructure around the station sites: \$30 million- Grimsby (Casablanca Boulevard) \$28 million - St. Catharines (Louth Street, Ridley Road, St. Paul Street CN Bridge) \$40 million - Niagara Falls (Bridge Street) \$40 million capital budget for enabling GO service to Niagara Stations Introduced NRT OnDemand Transit to enable first/last mile connections to Grimsby GO Station Consolidated Niagara's transit services (creation of 	 2019 Initial Business Case update completed Hamilton Infrastructure Improvements: Bayview junction West Harbour Station tie-in for additional service to Niagara Confederation Station under construction Completed design of Niagara Falls layover facility 23 GO Train round trips/week to Niagara Falls (summer 2023) 11 GO Train round trips/day approved for Niagara
Niagara Transit Commission)	





Ask: Provide \$200,000 to support Niagara's review of **Emergency Management Organization (EMO) functions**

Niagara wants to support Ontario's Emergency Management Strategy Action Plan: A Safe, Practiced and Prepared Ontario. Niagara's Chief Administrative Officers have identified an opportunity to advance the Plan's goal of increasing clarity in emergency management approaches and reducing administrative burden for emergency management partners.

In our region, 10 out of 11 local Fire Chiefs are the designated Community Emergency Management Coordinators. This can result in capacity challenges due to the importance of their role in managing the Fire Departments with the addition of Emergency Management program responsibilities.

Further, as per the **Emergency Management and Civil** Protection Act, 1990, the Region develops and maintains an Emergency Management Program that the local area municipalities must align with. This is in addition to the Region providing local area municipalities with program and response support to address capacity challenges and the real time interconnectivity of emergency services provided at the Regional and local levels.

With 12 local area municipalities, the delivery of lower-tier emergency services is varied between rural and urban communities. Demand for emergency services is also rising within our community, making the current framework of roles and responsibilities inefficient.

Niagara would like to move forward with the review of emergency management functions to determine if legislative changes regarding municipal responsibility would reduce administrative burden and enhance customer service. Based on outcomes of the review, the final recommendation could potentially be adopted by

municipalities across Ontario; however, partnership at the provincial level is needed to move forward with next steps.

Reintroducing the Municipal Modernization Program (MMP) is one way the province can support the Region and local area municipalities in conducting a review of EMO functions. The MMP ran from 2019 – 2022 and provided local communities with funding to streamline service delivery. Within Niagara, the MMP supported a number of innovative projects including a shared Fire Service Pilot, the amalgamation of two local libraries and the introduction of modernized planning and zoning software.



Even small efficiencies gained in emergency management will have positive and potentially life saving impacts within our local communities



0. Reg. 380/04 details municipal standards for emergency management



Review of Emergency Management Functions

\$200,000 to help identify opportunities to reduce administrative burden and/or enhance customer service



Growing Housing



Ask: Introduce a dedicated water and wastewater fund to support net-new and infill housing development

Local communities cannot accommodate housing development unless safe and reliable infrastructure is in place to service it. The renewal of existing assets is paramount to supporting intensification and maintaining health and safety standards, while net-new infrastructure is needed to support growth.

Municipalities own approximately 60 per cent of Canada's infrastructure; however, the money needed to maintain it is beyond reach for local governments. For instance, Niagara Region oversees more than \$9.8 billion in assets. Fifty per cent of the Region's water infrastructure assets are in a state of poor or very poor condition, requiring approximately \$3.1 billion to be brought to a state of good repair.

Ontario is also growing at an unprecedented rate requiring net-new infrastructure. Within Niagara, Regional wastewater infrastructure located within the City of Niagara Falls does not have the capacity to service population and economic growth forecasted by 2051.

A \$400 million South Niagara Wastewater Treatment Solution project is underway that will service 115.950 new homes, 9,200 new jobs and the forthcoming South Niagara Hospital; however, without support from upper levels of government the project cannot move forward.

Building safe, prosperous communities that can sustainably support growth is a priority for all levels of government. 2024, provincial funding programs provided municipalities with resources to move forward with many net-new infrastructure projects; however, allocations did not address the growing infrastructure gap.

Communities of every size are struggling to provide clean water at rates that are affordable to tax pavers. A dedicated water and wastewater fund is paramount to successfully accommodating growth.



Ontario municipalities are planning to invest more than \$250 billion in capital expenditures over the next ten years to meet growth needs



Housing intensification requires maintenance of existing assets

\$3.1 billion is needed to bring 50% of Niagara Region's water infrastructure assets to a state of good repair



Net-new housing requires net-new infrastructure \$400 million is required for the **South Niagara Wastewater Solutions Project. Once finalized, it will service:**

- 115,950 new homes
- 9,200 new jobs
- **The South Niagara Hospital**





Ask: Provide long-term capital funding to increase the supply of community housing units

To build 1.5 million new housing units by 2031, a broad spectrum of housing must be introduced so every Ontarian has a place to call home. Affordable housing is often unattainable for those with low incomes and at risk of homelessness. Housing affordability must be recognized as a shared responsibility across all levels of government.

Ontario's Consolidated Municipal Service Managers (CMSMs) manage over 260,000 affordable housing units, providing homes to more than 680,000 Ontarians (OMSSA, 2022). However, the scale of the issue extends beyond what the municipality alone can fund. While all forms of provincial support are welcome, time-limited application-based funding models pose barriers to planning strategically to meet long-term community need.

Providing allocated capital funding in predictable and sustainable ways will support CMSMs with repairs, maintenance and increasing supportive housing capacity and affordable housing options.

For example, Niagara Region has developed an Affordable Housing Strategy that engages private, non-profit and local municipal partners to support a range of housing options for a total development potential of 11,000 units. The strategy supports a portfolio approach allowing for concurrent projects to be delivered in batches. We are well-positioned; however, additional funding is required to support site preparedness, detailed design and construction costs.

Long-term capital funding would allow the Region to move forward with the development of six sites that, once constructed, will result in approximately 656 affordable housing units.

Enhanced investments from other levels of government are needed to scale up the necessary infrastructure to increase Ontario's affordable housing supply. Doing so will support the development of additional community housing units and help address significant wait times for housing.



Ontario's municipalities are the primary funders of community housing, contributing more than \$1.77 billion annually (OMSSA, 2022)



Additional 143,225 units of deeply affordable community housing are needed in Ontario by 2030 just to meet the OECD average. (OMSSA, 2022)



Ontario's community housing stock is between 18 and 50 years old. The cost to address repairs is **\$1.5** billion (OMSSA, 2022)



In Niagara 26,000 households are in core housing need that require housing at or below affordable housing costs





Ask: Provide sustainable, predictable funding to support communities in addressing the complexities of homelessness

As the level of government responsible for paramedic services, public health, supportive housing, and income support, municipal governments are critical to helping the unsheltered move through the continuum of supports to rise out of homelessness. Unfortunately, Ontario communities are seeing a rise in homelessness, encampments and shelter systems operating well above capacity.

Ontario is also experiencing a mental health and addictions crisis that intersects with and contributes to homelessness. This adds complexity to how municipal programs and services must be delivered to best support our most vulnerable residents. While municipalities did not create the homelessness crisis, they are being forced to manage it without the resources or tools to sufficiently respond.

For instance, supportive housing that provides on-site support to help individuals achieve housing stability and prevent a return to homelessness, especially for those with mental health and addiction challenges, is greatly under supplied. Best practice estimates that there should be 6 units of supportive housing for every one shelter bed. Across Ontario, it is estimated that there is a shortfall of 30,000 units minimum (Addictions and Mental Health Ontario, 2024).

Niagara Region allocates substantive levy dollars to the homelessness portfolio. However, community growth and changing complexity in client needs have resulted in service costs that are unsustainable for local tax payers.

Our community's core housing need is approximately 10.3 per cent. Underfunding for the construction of

community housing units has resulted in long wait times ranging from four to 13 years, and as of December 31, 2024, there were 1,136 residents on Niagara Region's By-Name list of whom 629 were experiencing chronic homelessness.

The enduring effects of poverty remain prevalent in our community, as highlighted by the high rates of mental health and substance use challenges among individuals served by the homelessness system, the presence of encampments, and the growing social assistance caseload in the Region—clear indicators of the pressing local needs in Niagara.

Stable, predicable funding is required to address systemic causes of homelessness by focusing on prevention, supportive housing, and sustainable exits from homelessness.



Niagara's 2024 Point in **Time Count Respondents**

- 70% self identified experiencing a mental health issue
- 54% identified having substance abuse issues



Supportive housing should have 6 units of supportive housing for every 1 shelter bed. Niagara is below this ratio at less than 2:1





Niagara wants to support the province in building 1.5 million homes by increasing consistency and modernization within building and inspection processes across our two-tier municipality.

Across the local area municipalities permitting systems can differ, fees can vary and processes can be inconsistent. While some variation in the building and inspection process is necessary given Niagara's diverse geographic landscape, there are opportunities to increase consistency for those developing net-new and infill housing within our region.

A Building Services Review will help identify how to best streamline service delivery and reduce duplication for clients who are looking to build within a number of local area municipalities. Based on outcomes of the review, the final recommendations could potentially be adopted by municipalities across Ontario; however, partnership at the provincial level is needed to move forward with next steps.

Provincial investment would support one-time implementation costs associated with the following work plan items planned for 2025:

- Financial Analysis and Strategy to assess opportunities to harmonize fees and indirect cost allocations, define reserve fund caps and usages, and develop a financial strategy to bring consistency across Niagara's municipalities.
- **Business Case Analysis** to conduct a study on available platforms and implementation, assess opportunities to modernize process and information sharing and evaluate how to standardize and streamline the application process for developers.

Reintroducing the Municipal Modernization Program (MMP) is one way the province can support municipalities in increasing efficiency and reduce duplication throughout the building permit process.

The MMP ran from 2019 – 2022 and provided local communities with funding to streamline service delivery. Within Niagara, the MMP supported a number of innovative projects including a shared Fire Service Pilot, the amalgamation of two local libraries and the introduction of modernized planning and zoning software.



We need to use resources more efficiently to meet increasing service demand as we grow



\$750,000 to identify opportunities to make building inspections and permitting more efficient



Building Service Review Work Plan Items

- 1. Financial Analysis and Strategy
- 2. Business Case Analysis for **Building Permit and Inspection**



Growing Healthy and Economically Prosperous Communities



Ask: Conduct a review of Public Health base funding as part of the Strengthening Public Health initiative

Ontario is welcoming new residents and businesses at an unprecedented rate. To ensure the provincial government can capitalize on the economic prosperity offered by such growth, local public health must be maintained.

Programs delivered by Public Health Boards focus on preventative, upstream interventions that reduce the burden on the far more costly health care system. While the restoration of the 75 per cent provincial 25 per cent municipal cost-share ratio and guaranteed one per cent base funding increase over three years were welcome investments, increases do not match year-over-year inflationary costs.

To ensure long-term sustainability for Ontario's public health system, Niagara Region supports the Association of Local Public Health Agencies' (alPHa) request that a review of public health funding be undertaken as part of the Strengthening Public Health initiative.

To address the substantial budget pressures and prevent reductions to service, Public Health Boards also need funding increases in the short-term that accommodate expenditures and elevated expectations under the OPHS mandate.



Ask: Increase funding for locally delivered provincial health programs to account for inflation and growing service demands

Local governments deliver public health and health care programs on behalf of various provincial ministries and agencies, many of which are 100 per cent funded or cost shared by the province. Provincial allocations have not been updated to reflect inflation, significant population growth and capital and technical expenditures. This has placed a financial burden on local governments as expenses not reimbursed by the province have been subsidized through the municipal levy. Current funding envelopes are not sufficient to meet community need.

There are three Niagara-specific examples that demonstrate the importance of increasing funding for locally delivered provincial health programs to account for inflation and growing service demands.

- 1. Emergency Medical Services (EMS)
- 2. Mental Health
- 3. Healthy Babies Healthy Children



1. Emergency Medical Services (EMS)

Niagara Region EMS operates two specialized crisis response teams deployed through the 911 system to respond to our community's growing demand for EMS services. Between 2020 and 2023, the Mobile Crisis Rapid Response Team and Mental Health and Addictions Response Team diverted 81.9 per cent and 77.1 per cent of 911 EMS calls away from the Emergency Department. respectively. Despite this success, Niagara's offload delays continue to outpace the majority of the province.

In March 2024, the 90th percentile offload time in Ontario was 46 minutes. Out of Ontario's 72 hospitals, Greater Niagara General Hospital ranked 70th, Welland Hospital Site ranked 66th and St. Catharines Site ranked 64th.

Due to offload challenges, our paramedics are unable to transfer patients to hospital care, preventing them from responding to incoming EMS calls. This puts us in a vulnerable position as Niagara's geography prevents us from requesting support from neighbouring EMS services to respond to critical patients.

In response to ongoing challenges with offload delays. \$1,755,466 (2023) and \$1,000,000 (2024) of Regional levy has been invested into Niagara's EMS program beyond the 50 per cent cost sharing agreement with the Ministry of Health.

As Ontario continues to grow, creating a sustainable emergency care system is critical in successfully supporting growth. Increasing the Ministry of Health's investment in Niagara's EMS program to reflect community need will ensure we have enough staff to adequately respond to increasing call volume.





2. Mental Health

Ontario's Roadmap to Wellness envisions all Ontarians having access to high-quality, easily accessible mental health services throughout their lifetime. Positioned within Niagara Region Public Health and Emergency Services, Niagara Region Mental Health (NRMH) is a community program meant to be 100 per cent provincially funded. However, base funding from Ontario Health has not kept up with inflation. NRMH has been subsidized year over year by the Regional levy to avoid service cuts, totalling **\$3,112,602 since the 2018/19 fiscal year.** While NRMH is grateful for the 5 per cent increase to base funding for the 2023/24 fiscal year, total shortfall for the 2024/2025 fiscal year is \$941,526.

A recent Needs Based Planning report demonstrates that to meet community demand, Niagara requires greater capacity in intensive case management services such as Assertive Community Treatment (ACT). The Ontario Association for ACT and Flexible Assertive Community Treatment recommends that a community the size of the Niagara should have four to five ACT teams, yet we currently have two. Wait times for ACT in Niagara could be up to two years, leaving individuals with severe mental illness without high-quality, evidence-supported. community treatment.

Without increasing NRMH base funding to meet operational needs and providing the estimated \$5.55 million required for additional ACT teams, NRMH will be forced to make substantive service cuts and hundreds of individuals with the most severe mental illness will go untreated in the community.

ACT results international overview



- 62% reduction in client hospital admissions after one year of **ACT** services
- One ACT team, at a cost of \$1.3 million per year, produces cost avoidance of \$4 million per year
- Improved housing stability



\$5.5 million needed for ACT

- \$3.5 million for two **ACT teams**
- \$2 million for a specialized **ACT Housing First team**



3. Healthy Babies **Healthy Children (HBHC)**

HBHC is a public health program 100 per cent funded through the Ministry of Children, Communities and Social Services. HBHC represents the earliest opportunity to identify children who may be exposed to social and economic risk factors that are known to have cumulative negative impacts on health and development.

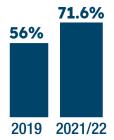
Niagara Region is grateful for 2024 provincial investment that increased program funding by \$155,000. This will support Niagara in making some of the required program enhancements that will prevent the cessation of services for low and medium-risk families.

Prior to the 2024 funding increase the base budget for HBHC had not increased since 2008, with inflation alone resulting in a cumulative funding gap of \$878,013. To stay within the provincial funding envelope, 2.8 FTE Family Home Visitor (FHV) roles were divested or gapped in 2021 and in 2023. In addition, Niagara Public Health moved to a nurse-only home visiting model after 4 FTE FHV staff were divested to mitigate budgetary pressures.

Updating HBHC program funding to reflect growing community needs and rising inflation costs will ensure Ontario's youngest and most vulnerable residents can reach their full potential.



With a return on investment of as much as 13 to 1 over the lifetime of the child, investing in the early years is a cost effective approach to improving resident health in the long term



Between 2019 and 2021/2022, the number of families who completed screening and had one or more risk factors increased by 15.6%





Ask: Provide adequate funding and financial assistance to support Ontario Works, accounting for inflation

Across the province, a growing number of Ontarians can no longer afford the basic necessities of life. In Ontario, 45 per cent of tenant households spend 30 per cent or more of their total income on shelter. This is the highest rate across the country.

Inflation increased 3.4 per cent in 2021, 6.8 per cent in 2022, 3.62 per cent in 2023 and 2.65 per cent in 2024. In spite of growing economic pressures, Ontario Works rates continue to be held at 2018 funding levels. This has forced recipients to live in poverty and has led to an increase in evictions, homelessness, and encampments.

An increase to Ontario Works rates in line with inflationary pressures is necessary to address deep poverty and to prevent further expansion of the homelessness crisis.

Discretionary benefits funding of \$10 per case, per month (Ontario Works and Ontario Disability Support Program) for items such as dental, vision, transportation, moving and funerals has not increased since 2013. An increase in the cost per case in line with inflationary increases is necessary to ensure client needs are appropriately met.

Outdated rates and supports keep people in poverty. Increasing social assistance rates and transforming social assistance to better help people get back on their feet and fully participate in the economy is essential to building thriving communities across Ontario.



By 2025, approximately 160,000 households will spend more than 50% of their income on rent, putting their housing at risk and increasing the likelihood of them becoming **homeless.** (AMO, 2024)



Numbers from Statistics Canada indicate that in 2021 Niagara had 10.4 per cent of people living in poverty (49,706 people)





Ask: Increase Niagara's Canada Wide Early Learning and Child Care (CWELCC) allocations to support economic growth

Accessible, affordable, high-quality licensed child care is integral to Ontario's economy. It reduces poverty and the cost of living for low-income families and encourages labour force participation, especially among women.

Affordable child care can help boost women's workforce participation, with significant economic benefits. Nationally, CWELCC has led to an increase of 1.4 per cent in labour participation for women between the ages of 25 and 54, as well as a two per cent increase in the proportion of women who work full-time (Dr. J Standford, 2024). This growth in female labour supply added \$24 billion to Canada's GDP in 2024 (Dr. J Standford, 2024).

The current number of licensed child care spaces across the province can accommodate less than one in four of children in Ontario from age 0 to four (OMSSA, 2022). As our province welcomes population and economic growth, demand for child care spaces will continue to rise. The number of children under four in Ontario is projected to increase by 27 per cent over the next 25 years. (Statistics Canada, 2024).

Niagara Region is no exception. While the allocation of 4,067 spaces for CWELCC expansion by 2026 was a welcomed investment, to adhere to the provincial access ratio of one CWELCC space for every three children roughly 1,200 additional spaces are required by 2026. This estimate did not consider the recent economic development announcements in Niagara, which will further increase the demand for child care.

Between 2020 and 2022 the total number of individuals employed within our region increased by 31,700, and in 2024 significant foreign direct investment was welcomed to our community in partnership with the Governments of Ontario and Canada. A skilled workforce is critical to the success of these investments, much of which is predicated on accessible, affordable, high-quality licensed child care.

The multiplying effect of investing in child care is approximately 2.27, meaning that every dollar invested in child care results in an economic output of \$2.27 (OMSSA, 2022). Together we must build a child care system that is accessible and affordable to ensure our province can capitalize on the economic prosperity offered by such growth.



Ontario has the highest child care costs as well has the lowest rate of women's workforce participation at 80.6%.



97% of eligible child care spaces in Niagara are enrolled, and approximately 10,000 **CWELLC** eligible children are seeking licensed child care (September 2024)





Growing Better Together

Provincial Pre-Budget Submission

niagararegion.ca

1815 Sir Isaac Brock Way, Thorold, ON L2V 4T7



January 2025

For additional information please contact:

Rachael Ball-Condron Government Relations Program Manager Office of the Deputy CAO Niagara Region Rachael.Ball-Condron@niagararegion.ca