

YMCA Ontario 2025 Pre-Budget Submission: Building Sustainable Communities for a Stronger Ontario



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## About the YMCA

The YMCA is one of Canada's longeststanding and largest charities. Each regional YMCA is unique in size, reach, and the programs and services they offer but we are all united in our commitment to advancing the health and well-being of individuals, families and communities. There are 14 YMCA associations across Ontario, reaching 1.2 million people across 125 diverse communities that include large cities and rural townships.



- YMCA of National Capital Region
- YMCA of Eastern Ontario
- YMCA of Central East Ontario
- YMCA of Northumberland
- YMCA of Greater Toronto
- YMCA of Oakville
- YMCA of Simcoe/Muskoka
- YMCA of Hamilton|Burlington|Brantford
- YMCA of Northeastern Ontario
- YMCA of Sault Ste. Marie
- YMCA of Owen Sound Grey Bruce
- > YMCA of Three Rivers
- YMCA of Niagara
- YMCA of Southwestern Ontario



## YMCA programs at a glance



Over 60 health, fitness, and aquatics centres where people of all ages and abilities access the physical exercise, community, and connections we know to be linked with well-being and mental health.



More than 800 locations offering child care, enabling parents to pursue their careers or education while their kids learn and grow in the care of trained experts.



Over 25 employment and training locations, where people get skills training and are matched with employers; youth access employment counselling, summer job programs and first job training programs, such as babysitting courses and lifeguard certifications.



Day, overnight, and family camping and outdoor education programs where people learn about environmental stewardship, find a sense of community and learn new skills.



Immigrant settlement services that help newcomers find work, develop their language skills and learn about their new home, including specialized programs specifically for newcomer youth.



Emergency, transitional and long-term housing where youth, adults and families experiencing homelessness find a warm meal, a safe place to sleep and wraparound supports to help them get back on track. Dear Minister Bethlenfalvy,

On behalf of YMCA Ontario, I am pleased to submit our recommendations for the 2025 Ontario Budget. As one of the largest providers of community services across the province, we remain steadfast in our mission to strengthen the social fabric of Ontario through investments in health, wellness, and child development.

The YMCA has long been a trusted partner in delivering programs and services that empower individuals, support families, and foster community. With locations in urban, rural, and suburban communities, we are uniquely positioned to deliver meaningful results for Ontarians. Our programs support physical and mental health, early learning, and employment services—priorities that align closely with your government's goals.

In light of mounting economic uncertainty tied to protectionist trade policies and escalating global tariff tensions—it is more important than ever to invest in resilient, domestic social infrastructure. Ontario's communities must be fortified against volatility in global markets and cost shocks that disproportionately impact low-income households and vulnerable populations.

Ontario's recent commitments to Child Care, affordable housing and workforce training and development are all critical to ensuring that Ontario continues to thrive as a place where families can succeed and businesses can grow.

This submission highlights our key priorities for the 2025 Budget, including realizing Ontario's commitment to the Canada-Wide Early Learning and Child Care plan, further investments in wrap-around supports for people facing barriers, and new commitments for community recreation by investing in the Community Sport and Recreation Infrastructure Fund. We believe these recommendations align with the Province's goals and will deliver measurable results for communities across Ontario.

We look forward to continuing our partnership with your government to build a stronger, healthier, and more inclusive Ontario.

Sincerely,

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**Lesley Davidson** President and CEO, YMCA of Greater Toronto President, YMCA Ontario



## Summary of recommendations

#### 1. Support health, skills and opportunities for people facing barriers:

a. Improve the physical, social, and mental health of Ontarians by providing community health grants to charities to deliver free/low-cost programming to equity-deserving communities.

#### b. Support newcomers to Ontario by investing in employment-based training programs that enable their livelihoods. Invest in wrap-around support for people facing barriers, including housing support and other services.

#### 2. Help charities to thrive in an environment of rising costs and increased need:

- a. Embed inflationary support into multi-year funding agreements to stabilize funding and ensure long-term planning.
- b. Provide support for staff compensation increases in grants and funding agreements to ensure organizations can retain skilled workers.
- c. Provide inflationary support for capital projects to address rising costs and sustain critical infrastructure.

#### 3. Get workers working by providing greater access to child care:

- a. Uphold commitments to realize the Canada-Wide Early Learning and Child Care agreement.
- b. Reduce waitlists by enabling the expansion of non-profit child care through capital expansion funding.
- c. Mitigate workforce shortages by: i) introducing an ECE compensation grid that accounts for level of education and years of experience, ii) ensure ECE assistants receive compensation increases that reflect their important contributions, iii) enable recruitment of newcomer ECEs by removing barriers for newcomers, prioritizing early childhood education as an in-demand profession, and recognizing home-country credentials.
- d. Support the inclusion of children with special needs by funding one-on-one staffing and other critical supports for children that require it.
- e. Reduce administrative burden faced by operators by streamlining municipal reporting requirements and reducing reporting volume.
- f. Support families with the cost of after-school care for school-aged children.

#### 4. Help build more complete communities by investing in recreation infrastructure:

- a. Prioritize access to recreation infrastructure to support and attract families to Ontario.
- b. Ensure access to recreational facilities, address gaps in equity, and upgrade aging infrastructure to provide safe, modern, and inclusive spaces for physical activity and community engagement.



# Support health, skills and opportunities for people facing barriers

Improve the physical, social and mental health of Ontarians by providing community health grants to charities to deliver free/low-cost programming to equity-deserving communities

The YMCA has a long-standing commitment to improving the physical, social, and mental well-being of Ontarians. With facilities in over 125 communities, we deliver accessible programs that help individuals and families stay active, build social connections, and improve their overall health. Yet, many Ontarians continue to face barriers to participation due to financial constraints and a lack of local programming.

To address this need, we urge the Province to establish a Community Health Fund to support charities in delivering free or low-cost programming in priority neighborhoods. These programs, such as fitness classes, swimming lessons, and mental health workshops, provide affordable opportunities for people to stay healthy, reduce social isolation, and build resilience. Investing in these upstream solutions will allow us to collectively address disparities in health outcomes over time and ensure that cost is never a barrier.

## Support newcomers to Ontario by investing in employment-based training programs that enable their livelihoods

Ontario continues to be a destination for newcomers seeking safety, stability, and economic opportunity. However, many newcomers face barriers to employment, including language challenges, lack of Canadian work experience, and unrecognized foreign credentials. These obstacles often prevent them from entering the workforce, despite possessing the skills and experience to make meaningful contributions to Ontario's economy.

YMCA employment programs provide training, mentorship, and certifications that help newcomers gain employment and integrate into their communities. Additional funding for these programs would allow more newcomers to access job-readiness training, language supports, and accelerated credential recognition pathways. Investments in employment-based training programs would not only empower newcomers to build sustainable livelihoods but also address workforce shortages in highdemand sectors across the province.



#### Support people facing barriers with housing support and other services

For many Ontarians, systemic barriers such as housing insecurity, mental health challenges, and unemployment—stand in the way of stability and growth. Several YMCAs operate emergency shelters, drop-in centers, and transitional housing programs that provide safety and support to individuals in crisis. However, the demand for these services far exceeds available resources.

To help people rebuild stability and achieve long-term success, we call on the Province to expand investments in wrap-around supports. This includes increasing access to deeply affordable and transitional housing, strengthening community-based mental health services, and funding targeted interventions for those facing the most barriers to employment. These supports, combined with access to skills training and counseling, can help individuals address the root causes of their challenges and move toward independence. Amid a global economic environment that grows more precarious by the day, the Province must consider the downstream costs of failing to invest in preventative, wrap-around services.

By providing sustained funding for wraparound services, Ontario can reduce reliance on emergency interventions, promote long-term stability, and create pathways for vulnerable populations to thrive.



## Help charities thrive in an environment of rising costs and increased need

Investing in human service organizations like the YMCA is an investment in the well-being of our communities. Yet, while community needs continue to grow, charities like the YMCA are struggling to meet demand due to rising costs. This means we are being increasingly asked to do more, with less. Without additional government support to address these pressures, charities will not be able to sustain our critical role in delivering programs and services that Ontarians rely on.

Inflation—now compounded by mounting international tariff threats and broader economic instability—has negatively impacted the provinciallyfunded programs and front-line services we are delivering. When multi-year agreements lack inflationary or include inflationary allowances below the actual cost of inflation, organizations like the YMCA must cut service levels or operate at a deficit<sup>1</sup>. In order to maintain the quality of provincially funded programs and to ensure that charities like the YMCA can meet our service obligations to our communities, Ontario must address the rising costs of program delivery and administration by embedding full inflationary coverage in all multiyear funding agreements.

Staffing costs are a particular area of concern. As a major community employer with approximately 13,000 staff across Ontario, the YMCA is a key provider of jobs and a top employer of young people, with many young people obtaining their first job at the Y. Ongoing staffing shortages, rising living costs, wage compression due to minimum wage increases, and the legacy of Bill 124 have put pressure on the YMCA to increase compensation at a time when funding agreements have flatlined.

Another area of concern is the ongoing pressure associated with outdated funding commitments that have not kept pace with the current economic landscape. Of particular concern are the funding agreements established under the Investing in Canada Infrastructure Program and the Special Projects Fund to build and upgrade important social infrastructure in our communities. These projects were approved prior to the pandemic and despite built-in contingency and modest inflationary allowances, the existence of COVID-related delays, soaring construction costs and inflationary increases have outpaced original allotments. YMCAs call on the Province to provide funding increases to projects that have stalled to ensure that YMCAs can deliver on original plans without having to scale back or re-scope projects.

Ontario has already taken steps to address rising costs in child care through the introduction of a child care funding formula, which helps maintain affordability and accessibility for families. This approach demonstrates a pathway forward. To support charities like the YMCA in meeting their obligations, Ontario should adopt similar measures across all provincially funded programs. Stabilizing funding through inflationary adjustments is essential to sustaining critical services and enabling long-term planning for the benefit of Ontario's communities.

<sup>&</sup>lt;sup>1</sup> https://www.imaginecanada.ca/en/360/forced-to-do-more-with-less-impact-inflation-charities-and-nonprofits



## Get workers working by providing greater access to child care

Making life easier and more affordable for working parents requires the realization of the Canada-Wide Early Learning and Child Care (CWELCC) plan. Ontario has made significant strides toward creating a more affordable and accessible licensed child care system, a vital investment that supports early childhood development while enabling more parents—particularly women—to participate in the workforce.

The YMCA has been at the forefront of delivering high-quality, licensed child care in Ontario for over 55 years. With 76,000 licensed spaces, YMCA child care accounts for nearly one-fifth of all spaces in the province. While we commend the Province's move to a cost-based funding formula to ensure long-term sustainability and reduce parent fees, more action is needed to expand access and address critical workforce and operational challenges.

#### Support the Expansion of Non-Profit Child Care with Capital Funding

As fees for licensed child care decrease, demand continues to rise. YMCA waitlists are growing as more families seek CWELCC spaces. The YMCA has a strong track record of expanding child care to meet community needs and stands ready to open new centers. To support this growth, **we urge the Province to provide capital expansion funding specifically for non-profit child care providers like the YMCA**.

## Address Workforce Shortages Through a Compensation Grid

By the government's own estimates, approximately 14,700 new Registered Early Childhood Educators (RECEs) will be needed by 2025-26 and without interventions, there could be an estimated shortage of 8,500 RECEs by 2026.



Establishing a compensation grid based on qualifications and experience is essential to recruit and retain ECEs. Despite being the most highly trained in the country, Ontario's ECEs are among the lowest paid. As trade uncertainty fuels concerns about consumer costs and a potential tightening of labour markets, now is the time for Ontario to act decisively to stabilize and professionalize this workforce. Ensuring fair compensation will buffer the sector from the downstream effects of macroeconomic turbulence and protect parents' access to reliable child care. Compensation grids implemented in other provinces, such as Manitoba, New Brunswick, Nova Scotia and PEI have shown promising results in reducing workforce shortages. The YMCA calls on Ontario to implement a compensation grid for early childhood educators that recognizes education, skill level and experience in order to compensate educators equitably.

The YMCA also recommends including Early Childhood Educator Assistants (ECEAs) in these compensation frameworks. Their critical contributions to program delivery deserve recognition and equitable remuneration.

### Remove Barriers to Recruitment for Newcomers

To grow the child care workforce, the YMCA urges Ontario to enable the recruitment of newcomer Early Childhood Educators (ECEs) by prioritizing early childhood education as an in-demand profession in Ontario and recognizing home country credentials. To support the training needs of new ECEs in the sector. Ontario should also increase investments in accelerated early childhood educator training programs and provide free tuition and cost-of-living stipends to those enrolled in ECE programs. These steps will help to increase the pool of gualified professionals in the province and will be critical steps towards realizing our child care goals.

#### Support Children with Special Needs

An increasing number of children in YMCA programs require additional support for complex needs. Equipping staff with specialized training and providing consistent, direct funding for one-on-one support is critical to ensuring equitable access for all children. While municipal support for special needs resources can be helpful – it varies considerably and is exhausted quickly. **Provincial investments should aim to reduce wait times and enhance program**  quality by making funds directly available to operators so that all children with special needs can successfully participate in childcare.

#### **Reduce Administrative Burden**

YMCAs operate in 37 municipalities across Ontario, each with unique reporting requirements. With some YMCA's working with as many as seven municipalities at a time, varying municipal requirements create a tremendous amount of administrative burden that is resource intensive. The lack of standardization creates significant administrative inefficiencies, particularly for operators managing multiple jurisdictions. **Clear, consistent provincial guidelines would alleviate this burden, allowing more resources to be directed toward service delivery.** 

### Support Families with School-Aged Children

As CWELCC reduces costs for children aged 0–6, fees for school-aged children have become comparatively high. Addressing affordability for families with older children is essential to ensure parents can maintain full-time employment and support their families.



## Help build more complete communities by investing in recreation infrastructure

The YMCA has a long history of providing safe, inclusive spaces where Ontarians of all ages and abilities can stay active, build relationships, and improve their overall well-being. From fitness centers and swimming pools to multi-purpose gyms and outdoor facilities, these spaces are critical to promoting healthy lifestyles and fostering community connections. Recreation infrastructure is not just about physical spaces but about building complete communities. Families, when making choices about where to live, are looking for access to services and amenities that support their health and well-being. In the context of ongoing trade-related uncertainty, recreation infrastructure offers a uniquely local and stabilizing form of economic stimulusanchoring communities in place and helping offset the social dislocation that can accompany broader economic contraction.

However, much of Ontario's recreation infrastructure is aging, underfunded, and increasingly unable to meet the needs of a growing and diversifying population. To address these challenges, **YMCAs urge Ontario to build on last year's investment and commit an additional \$200 million**  to the Community Sport and Recreation Infrastructure Fund. This funding would allow non-profit operators like the YMCA to continue to modernize aging facilities, expand access in underserved areas, and create spaces that reflect the needs of today's communities.

YMCAs are already working to upgrade their infrastructure—whether by replacing outdated facilities, building new multi-use spaces, or retrofitting existing buildings to improve energy efficiency and accessibility. These efforts, however, cannot be sustained without additional government support. With more than 60 health, fitness, and aquatics centers across Ontario, the YMCA is well-positioned to deliver on the goals of this investment by providing safe, modern, and sustainable spaces for recreation and community programming.

By delivering an additional \$200 million investment, and enabling charities to apply directly for funding, Ontario can create lasting infrastructure that supports healthy, active, and connected communities while addressing gaps in equity and access.



## Conclusion

The YMCA is proud to be a provincial partner in the delivery of programs and services that improve the lives of Ontarians. As the Province makes critical choices in the lead up to Budget 2025, we thank you for the opportunity to provide insight and recommendations based on our unique vantage point as community health and human service providers serving diverse groups of children, individuals and families across the province. We are encouraged by the willingness of the Ministry teams we work with to engage and listen to our feedback. We look forward to continuing to work together to develop solutions that will help achieve better health and prosperity for the people of Ontario.

#### For More Information Contact

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