

# CANADA-NOVA SCOTIA CANADA-WIDE EARLY LEARNING AND CHILD CARE AGREEMENT

**BETWEEN: HER MAJESTY THE QUEEN IN RIGHT OF CANADA** (hereinafter referred to as "Canada" or "Government of Canada") as represented by the Minister of Employment and Social Development Canada ("Canada") and as represented by the Minister of Families, Children and Social Development (herein referred to as "the federal Minister")

- and -

**THE GOVERNMENT OF Nova Scotia** (hereinafter referred to as Nova Scotia") as represented by the Minister of Education and Early Childhood Development herein referred to as "the Nova Scotia Minister")

REFERRED to collectively as the "Parties"

## PREAMBLE

**WHEREAS**, Canada and Nova Scotia agreed to a Multilateral Early Learning and Child Care Framework on June 12, 2017 which articulated their shared vision for early learning and child care and describes their approach to achieve this vision;

**WHEREAS**, Canada and Nova Scotia will work together to build a community-based system of quality, regulated early learning and child care ("ELCC"), aiming for all families to have access to high-quality, affordable, flexible and inclusive early learning and child care no matter where they live;

**WHEREAS**, Building on the 2020 Fall Economic Statement (FES), Budget 2021 commits almost \$30 billion over five years and provides permanent ongoing funding to work with provincial and territorial, and Indigenous partners to support quality, not-for-profit child care, and ensure early childhood educators are at the heart of the system. Combined with previous investments announced since 2015, approximately \$9.2 billion per year ongoing will be invested in child care, including Indigenous Early Learning and Child Care, starting in 2025-26;

**WHEREAS**, Canada's spending in early learning and child care is intended to increase until it is roughly shared with provinces and territories by 2025-26;

**WHEREAS**, To further support a lasting federal commitment, Canada is committed to tabling Early Learning and Child Care Legislation in fall 2021, following consultations with stakeholders, provincial, territorial, and Indigenous partners—to enshrine the principles of a Canada-wide ELCC system into law;

**WHEREAS**, the *Department of Employment and Social Development Act (DESDA)* authorizes the federal Minister to enter into agreements with the provinces and territories, for the purpose of facilitating the formulation, coordination and implementation of any program or policy falling within *DESDA*;

**WHEREAS**, the *Public Service Act* authorizes the Nova Scotia Minister to enter in agreements with the Government of Canada under which Canada undertakes to provide funding toward costs incurred by the Government of Nova Scotia for the provision of early learning and child care;

**WHEREAS**, Canada has, pursuant to its Policy on Transfer Payments, established a transfer payment program to provide funds to the provincial and territorial governments for the development and delivery of regulated child care programs and services;

**WHEREAS**, the Truth and Reconciliation Commission of Canada has called “upon the federal, provincial, territorial, and Indigenous governments to develop culturally appropriate early childhood education programs for Aboriginal families”;

**WHEREAS**, Canada and the Assembly of First Nations, Inuit Tapiriit Kanatami, the Métis National Council jointly released the co-developed Indigenous ELCC Framework in September 2018, which establishes overarching principles and sets a vision for happy and safe Indigenous children and families, strong cultural identity, and a comprehensive and coordinated system that is anchored in self-determination and centered on children and grounded in culture, and can be used as a guide for all actors involved in Indigenous ELCC; and,

**WHEREAS**, Nova Scotia invests in early learning and child care for Indigenous children and Canada and Nova Scotia agree to work collaboratively with Indigenous governing bodies and organizations to achieve a Canada-wide ELCC system.

**NOW THEREFORE**, Canada and Nova Scotia agree as follows:

## **1.0 VISION FOR CANADA-WIDE EARLY LEARNING AND CHILD CARE**

- 1.1 Canada will be guided by the long-term vision and objectives set out in the Multilateral Framework in making investments in early learning and child care committed in Budget 2021 across jurisdictions. Canada and Nova Scotia agree that the long-term vision and objectives for Canada-wide ELCC set out in the Multilateral Framework will guide the investment of funds provided under this Agreement. This includes the vision that all families in Canada have access to high-quality, affordable, flexible and inclusive early learning and child care no matter where they live.

1.2 Canada and Nova Scotia aspire to the following objectives:

- a) Providing a 50% reduction in average parent fees for provincially-funded, regulated ELCC programs and services (as described in section 2.2) by the end of 2022 and reaching an average of \$10 a day by 2025-26 for all provincially-funded, regulated child care spaces;
- b) Creating more high-quality, affordable regulated child care spaces, primarily through not-for-profit and public child care providers;
- c) Addressing barriers to provide inclusive and flexible child care; and,
- d) Valuing the early childhood workforce and providing them with training and development opportunities.

1.3 Canada and Nova Scotia agree that progress toward this vision will be undertaken by prioritizing federal investments in support of regulated early learning and child care and for children under age six.

## **2.0 CANADA-WIDE EARLY LEARNING AND CHILD CARE OBJECTIVES AND AREAS OF INVESTMENT**

2.1.1 Canada and Nova Scotia commit to the following provincial objectives:

### *Affordability:*

Nova Scotia commits to using federal funding to reduce out-of-pocket parent fees for ELCC spaces for children under age six by an average of 50% from 2019 levels by the end of 2022.

Nova Scotia commits to using federal funding to reduce out-of-pocket parent fees for full-time ELCC spaces for children under age six to an average of \$10/day by the end of fiscal year 2025-26.

### *Accessibility:*

Nova Scotia commits to using federal funding to increase the net number of regulated child care spaces for children under age six to achieve a coverage rate of approximately 59% by 2025-2026.

In creating these child care spaces, Nova Scotia commits that:

- Federal funding will be used exclusively to support not-for-profit private and public child care providers/operations, as well as family-based child care; and
- Federal funding will be exclusively used to support regulated child care (as per section 2.2).

### *Quality:*

Nova Scotia commits to use federal funds to demonstrate meaningful progress on improving quality, including:

- Developing and implementing evidence based quality frameworks, standards, and tools for early learning and child care;
- Developing a wage grid for ECEs and committing to its implementation; and,
- Increasing the percentage of child care workers providing regulated child care in the province who fully meet Nova Scotia's certification requirements to at least 60 per cent and by at least 15 percentage points by 2025-26, whichever leads to a greater percentage.

### *Inclusive:*

Nova Scotia commits to develop and fund a plan to ensure that new space creation ensures diverse and/or vulnerable children and families – including children with disabilities and children needing enhanced or individual supports, Indigenous children, Black and other racialized children, children of newcomers, and official language minorities – have spaces equivalent to or greater than their share of the population in the province or territory.

- Concrete actions will be included in the template agreement for each P/T.

In supporting inclusive child care, Nova Scotia commits:

- To track the number of inclusive spaces with inclusive programming created/converted as well as the annual public expenditures on child care programming dedicated to children from diverse and/or vulnerable families.

### *Data Sharing and Reporting:*

- Nova Scotia commits to share financial and administrative data (including micro data) needed to monitor progress in establishing the Canada-wide system.

2.1.2 Nova Scotia's policy and approach to achieving the objectives set out in this Article 2.1.1 is set out in its Action Plan attached as Annex 2.

## 2.2 Eligible Areas of Investment

2.2.1 Nova Scotia agrees to use funds provided by Canada under this Agreement to support the expansion of regulated child care, and prioritize not-for-profit (including publically delivered) early learning and child care programs and services, for children under the age of six, where:

- a) Regulated programs and services are defined as those that meet standards that are established and/or monitored by provincial/territorial governments and Indigenous governments and authorities.
- b) Not-for-profit providers/operations, which includes publically delivered operations, are defined as those that provide child care services to a community for a purpose other than generating a profit, typically improving family and/or child well being and/or development. Providers may generate a profit, but the surplus earnings, or other resources, are directed towards improving child care services rather than distributed for the personal benefit of owners, members, investors or to enhance asset growth. Early learning and child care programs and services are defined as those supporting direct care and early learning for children in settings including, but not limited to, regulated child care centres, regulated family child care homes, early learning centres, preschools and nursery schools.

Definitions provided under 2.2.1 apply throughout the Agreement, unless otherwise stipulated.

2.2.2 In developing and delivering its ELCC programs and services, Nova Scotia agrees to take into account the needs of official language minority communities in its jurisdiction.

2.2.3 Acceptable investments under this Agreement may include, but are not limited to: capital and operating funding for regulated ELCC; fee subsidies; training, professional development and support for the early childhood workforce; quality assurance; parent information and referrals; and certain administration costs incurred by Nova Scotia to support the growth, expansion, implementation and administration of this Agreement.

2.2.4 Canada and Nova Scotia also agree to promote, define, and deliver innovative approaches to enhance the quality, accessibility, affordability, flexibility, and inclusivity of ELCC systems, with consideration for those more in need.

2.2.5 Canada and Nova Scotia agree that funding will be targeted toward regulated programs and activities, as described above, for children under age six, that will have an impact on families, including families more in need such as lower-income families, Indigenous families, lone-parent families,

and families in underserved communities, including Black and racialized families; families of children with disabilities and children needing enhanced or individual supports; and families with caregivers who are working non-standard hours. Needs also include having limited or no access to ELCC programs and services in the children's official language.

### **3.0 PERIOD OF AGREEMENT**

3.1 This Agreement shall come into effect upon the last signature being affixed and will remain in effect until March 31, 2026, unless terminated in writing by Canada or Nova Scotia in accordance with the terms hereof in section 10. Funding provided under this Agreement, in accordance with section 4, will cover the period from April 1, 2021 to March 31, 2026.

#### **3.2 Canada-Wide Early Learning Child Care Bilateral Agreements**

3.2.1 Extension of this Agreement beyond March 31, 2026 will provide Nova Scotia and Canada the opportunity to review and course correct, if required, and realign new priorities in future Agreements based on progress made to date.

3.2.2 In the event this Agreement is extended in accordance with the terms of section 3.2.1, Nova Scotia may continue to use funding provided to cover the same eligible areas of investment as those covered through funding received for the period 2021-2026 subject to the terms and conditions of that extended Agreement.

### **4.0 FINANCIAL PROVISIONS**

4.1 These contributions are in addition and not in lieu of those that Canada currently pays to Nova Scotia through the Canada Social Transfer in order to support early childhood development and ELCC within Nova Scotia.

#### **4.2 Allocation to Nova Scotia**

4.2.1 Subject to Parliamentary approval of appropriations, Canada has designated the following maximum amounts to be transferred in total to all provinces and territories under this initiative with a fixed base rate of \$2 million per year for each province and territory and the balance of the funding on a per child (0-12) basis for the period starting on April 1, 2021 and ending on March 31, 2026. This funding includes financial commitments made as part of the 2021-2026 Canada-wide Early Learning and Child Care Agreements.

- a) \$2,948,082,433 for the Fiscal Year beginning on April 1, 2021
- b) \$4,489,349,839 for the Fiscal Year beginning on April 1, 2022
- c) \$5,538,345,183 for the Fiscal Year beginning on April 1, 2023

- d) \$6,492,201,954 for the Fiscal Year beginning on April 1, 2024
- e) \$7,718,943,823 for the Fiscal Year beginning on April 1, 2025

4.2.2 Subject to annual adjustment based on the formula described in section 4.2.3, Nova Scotia's estimated projected share of the amounts described in section 4.2.1 will be:

Fiscal Year	Estimated amount to be paid to Nova Scotia* (subject to annual adjustment)
2021-2022	\$67,968,537
2022-2023	\$100,946,877
2023-2024	\$123,458,100
2024-2025	\$143,474,017
2025-2026	\$169,078,220

\* The notional allocations for 2021-2022 use Statistics Canada's population estimates as at July 1st 2020. Notional allocations for years 2022-2023 to 2025-2026 are calculated based on Statistics Canada's longer-term population growth models using the Medium Growth M1 Population Growth Scenario from the previous fiscal year.

4.2.3 The final amount to be paid to Nova Scotia for the fiscal year will be calculated using the formula  $F \times K/L$  plus \$2 million, where:

F is the annual total funding amount transferred to provinces and territories for the fiscal year minus the base funding from all provinces and territories;

K is the total population of children aged 0-12 in Nova Scotia on July 1 of that fiscal year, as determined using population estimates from Statistics Canada;

L is the total population of children aged 0-12 on July 1 of that fiscal year, as determined using population estimates from Statistics Canada.

4.2.4 For the purposes of the formula in section 4.2.3, the population of children aged 0-12 for Nova Scotia for each fiscal year and the total population of children aged 0-12 in all provinces and territories for that fiscal year are the respective populations as determined on the basis of the quarterly preliminary estimates of the respective populations on July 1 of that Fiscal Year. These estimates are released by Statistics Canada in September of each fiscal year.

4.3 In this Agreement, "Fiscal Year" means the period commencing on April 1 of any calendar year and terminating on March 31 of the immediately following calendar year.

4.4 Payment

4.4.1 Subject to Parliamentary approval of appropriations, Canada's contribution will be paid in approximately equal semi-annual installments as follows:

In 2021-2022, the first installment will be paid within 60 days after the signatures from both Parties are affixed to the Agreement. The second installment will be paid on or about November 15.

Beginning in 2022-2023, the first installment will be paid on or about June 15 of each Fiscal Year. The second installment will be paid on or about November 15 of each Fiscal Year once conditions in 5.2 are satisfied.

4.4.2 The amount of the first installment will be an amount equal to 50% of the total amount of Canada's maximum contribution to Nova Scotia for the Fiscal Year, which will be calculated using Statistics Canada 0-12 population estimates from the previous year.

4.4.3 The amount of the second installment will be an amount equal to the balance of Canada's contribution to Nova Scotia for the Fiscal Year based on the actual amount of the contribution determined under sections 4.2.3 and 4.2.4 for the Fiscal Year.

4.4.4 Canada will notify Nova Scotia at the beginning of each Fiscal Year of their notional amount. The actual amount will be based on the Statistics Canada quarterly preliminary children (0-12) population estimates on July 1 of the preceding Fiscal Year.

4.4.5 Starting in 2022-2023, Canada shall withhold payment of its second installment for that Fiscal Year until Nova Scotia provides an annual progress report outlining data and results achieved from the previous Fiscal Year and its annual audited financial statement of the previous Fiscal Year in accordance with section 5.2.

4.4.6 Starting in 2022-2023, Canada shall withhold payment of its first installment for a Fiscal Year if Canada has not received from Nova Scotia all information requested under section 4.4.5 for the payment of its second installment from the previous Fiscal Year.

4.4.7 Starting in 2022-2023, Canada may withhold amounts payable in respect of Fiscal Year if Nova Scotia is unable to meet the objectives of the Agreement, in accordance with section 2.

4.4.8 In 2023-2024, Canada shall withhold payment of its first installment if Canada has not received from Nova Scotia its planned Action Plan for 2023-2024 to 2025-2026, in accordance with requirements outlined in section 5.1.



4.4.9 The sum of both semi-annual installments constitutes a final payment and is not subject to any further adjustment once the second installment of that Fiscal Year has been paid, unless there is a debt due to Canada, which requires repayment in accordance with section 4.7.

4.4.10 Payment of Canada's funding for each Fiscal Year of this Agreement is subject to an annual appropriation by the Parliament of Canada for this purpose. Likewise, use of the funding by Nova Scotia is subject to an annual appropriation by Nova Scotia's Legislature.

4.5 Maximum annual contribution in respect of administration costs

4.5.1 Canada's contribution in respect of Nova Scotia's administration costs referred to in section 2.2.3 shall not exceed:

In the Fiscal Years covered under this Agreement an amount up to 10% of the maximum amount payable for those Fiscal Years.

4.6 Carry Forward

4.6.1 In 2021-2022, at the request of Nova Scotia, and subject to the approval of Canada's Treasury Board by the federal Minister, Nova Scotia may retain and carry forward to the following Fiscal Year any unexpended funds remaining from Nova Scotia's annual funding payable under section 4.2., up to a maximum of 52% of the contribution payable. Any unexpended funds in excess of 52% of the contribution payable represents an overpayment subject to section 4.7.

4.6.2 In 2022-2023, at the request of Nova Scotia, and subject to the approval of Canada's Treasury Board by the federal Minister, Nova Scotia may retain and carry forward to the following Fiscal Year any unexpended funds remaining from Nova Scotia's annual funding payable under section 4.2, up to a maximum of 30% of the contribution payable. Any unexpended funds in excess of 30% of the contribution payable represents an overpayment subject to section 4.7.

4.6.3 Starting in 2023-2024, at the request of Nova Scotia, and subject to the approval of Canada's Treasury Board by the federal Minister, Nova Scotia may retain and carry forward to the following Fiscal Year any unexpended funds remaining from Nova Scotia's annual funding payable under section 4.2., up to a maximum of 10% of the contribution payable. Any unexpended funds in excess of 10% of the contribution payable represents an overpayment subject to section 4.7.

4.6.4 Nova Scotia may only use an amount carried forward to the following Fiscal Year for expenditures on eligible areas of investment made under section

2.2 incurred that Fiscal Year.

- 4.6.5 For greater certainty, any amount carried forward under sections 4.6.1 through 4.6.3 is supplementary to the maximum amount payable to Nova Scotia under section 4.2 of this Agreement during the Fiscal Year in which the funding is carried forward.
- 4.6.6 All amounts carried forward to the next Fiscal Year, pursuant to sections 4.6.1 through 4.6.3 must be spent by the end of the applicable Fiscal Year. Nova Scotia is not entitled to retain any such carried forward amounts that remain unexpended after the end of that Fiscal Year, nor is it entitled to retain any balance of Canada's contribution payable pursuant to section 4.2. that remains unexpended at the end of that Fiscal Year and is not carried forward in accordance with the applicable sections 4.6.1, 4.6.2 or 4.6.3. Such amounts are considered debts due to Canada and shall be repaid in accordance with section 4.7.
- 4.7 Repayment of overpayment
  - 4.7.1 In the event payments made to Nova Scotia exceed the amount to which Nova Scotia is entitled under the Agreement and/or unexpended funding is in excess of the carry forward allowance, the amount of the excess is a debt due to Canada and shall be repaid to Canada upon receipt of notice to do so and within the period specified in the notice.
  - 4.7.2 Canada shall, in addition to any other remedies available, have the right to recover the debt by deducting or setting-off the amount of the debt from any future contribution payable to Nova Scotia under this Agreement.
- 4.8 Use of Funds
  - 4.8.1 Canada and Nova Scotia agree that funds provided under this Agreement will only be used by Nova Scotia in accordance with the areas for investment outlined in section 2.2 of this Agreement.
  - 4.8.2 Canada and Nova Scotia agree that, within each Fiscal Year of the period of this Agreement, Nova Scotia may move funding between the individual programming categories outlined in its Action Plan in Annex 2 to ensure the maximum use of funding. Nova Scotia agrees to notify Canada in writing of any such change in funding allocation, including the rationale for the change. The change will be implemented upon agreement between Canada and Nova Scotia.
  - 4.8.3 Canada and Nova Scotia agree that funds provided under this Agreement will be used to ensure improvements in ELCC as outlined in 2.1.1 and will not displace existing provincial or municipal spending in place on or before March 31, 2021.

## 5.0 ACCOUNTABILITY

### 5.1 Action Plan

- i. Nova Scotia has completed and shared its Action Plan for 2021-22 and 2022-23 (Annex). Subsequently, Nova Scotia will provide an Action Plan for Fiscal Years 2023-2024 to 2025-2026 by the beginning of Fiscal Year 2023-2024. Nova Scotia will publicly release their Action Plan which:
  - a) Outlines an implementation plan towards achieving objectives set out in Section 1, including priority areas for investment, and targets by indicator, within the Framework's parameters.;
  - b) Identifies specific targets for each indicator that will be reported on annually for tracking progress in relation to the objectives set out under section 2.1.1, which may include:
    - i. Total number of ELCC spaces available during the Fiscal Year - broken down by age groups of child and type of setting (e.g., for profit/not-for-profit/public regulated child care centres, regulated family child care homes, etc.);
    - ii. The number of net new spaces created during the Fiscal Year - broken down by age groups of child and type of setting (e.g., for profit/not-for-profit/public regulated child care centres, regulated family child care homes, etc.);
    - iii. Total number of inclusive (as defined in Section 2.1.1) spaces created/converted – broken down by age group of child and type of setting;
    - iv. Average daily parental out-of-pocket fee for regulated child care spaces at the end of each Fiscal Year, including at the beginning of 2021-22 and at the end of 2022;
    - v. Number of children under age six and 6-12 years receiving fee subsidies, broken down by families receiving partial and full subsidies;
    - vi. Number and proportion of children under age six and 6-12 years in flexible regulated ELCC arrangements and number and proportion of centers/providers that provide flexible arrangements (i.e. non-traditional arrangements such as flexible/irregular hours, weekend and emergency services; and geographic distribution of spaces);
    - vii. Number of children under age six and 6-12 years with disabilities and children needing enhanced or individual supports that are in regulated ELCC spaces;
    - viii. Number or proportion of child care service providers who provide services that are adapted to the needs of children with disabilities and children needing enhanced or individual supports;
    - ix. Number of Indigenous children under age six years in regulated ELCC spaces, distinction-based (First Nations, Inuit, Metis) where possible;

- x. Number of racialized Canadian children, including Black Canadian children under age six in regulated ELCC spaces;
  - xi. Number and percentage of staff working in regulated child care programs in Nova Scotia who fully meet the Nova Scotia's certification/educational requirements;
  - xii. Annual public expenditure on training and professional development of the early childhood workforce; and
  - xiii. Wages of the early childhood workforce according to the categories of certification, including any wage enhancements, top-ups and/or supplements.
- c) Identifies additional jurisdiction-specific indicators for tracking progress in relation to the objectives of the Agreement;
- d) Describes how Nova Scotia plans to address the ELCC needs of its children/families more in need, as described in section 2.2.5;
- i. If available, number and proportion of children under age six and 6-12 years from families more in need that are in regulated ELCC spaces.
- e) Outline any additional available information to be reported annually that would be useful to assess progress, including:
- i. Information about waiting lists to access regulated ELCC spaces.
  - ii. Total child care subsidies provided by parents' income level;
  - iii. Average child-to-staff ratio among licensed child care service providers; and
  - iv. Total annual investment in ELCC.
- f) A description of consultation processes referred to in section 5.1.2, the type of groups consulted and annual priorities related to stakeholder feedback.

5.1.2 Nova Scotia will consult with parents, child care providers, experts, Indigenous peoples, official language minority communities and other interested parties as an important step in developing and revising its Action Plan. Nova Scotia will outline the results of consultations in its Action Plan as well as through its annual reporting.

5.1.3 By the beginning of Fiscal Year 2023-24, Nova Scotia commits to share with Canada its 2023-2024 to 2025-2026 action plan. The action plan shall include the elements described in section 5.1 (i) a) – f). Once the Parties agree that the annual action plan is final, the action plan may be published by one or both of the Parties and Canada will be able to provide Nova Scotia with its first payment for the Fiscal Year 2023-24 according to section 4.4.

## 5.2 Reporting

5.2.1 In the first fiscal year, Nova Scotia agrees to provide baseline data on indicators set out in their Action Plan as soon as possible after the Parties sign this Agreement.

5.2.2 By no later than October 1 of each Fiscal Year during the Period of this Agreement, Nova Scotia agrees to:

- a) Provide to Canada an Annual Report in the format and manner decided jointly by Canada and Nova Scotia. The report shall show separately the results attributable to the funding provided by Canada under this Agreement and shall include:
  - i. Description of the activities, expenditures and results of the Agreement as set out in Annex 2;
  - ii. Results achieved in working towards the vision for Canada-wide ELCC set out in this Agreement, including average child care fees and progress toward the average 50% reduction in fees by the end of 2022 and reaching an average fee of \$10/day by 2025-2026;
  - iii. Results achieved according to the indicators and targets referred to in Annex 2;
  - iv. The impact on families more in need, as described in section 2.2.5, including progress toward specific Nova Scotia targets as described in Annex 2, such as the numbers of inclusive spaces supported by federal funding and by category;
  - v. Additional available information to be reported annually that would be useful to assess progress;
  - vi. Description of any relevant consultation processes, the type of groups consulted and annual priorities related to stakeholder feedback referred to in Annex 2; and,
  - vii. Any additional results of an annual child care census as per section 5.2.2 (g) and any evaluation activities undertaken in the Fiscal Year, as available,
- b) In addition to the Annual Report, the Nova Scotia Minister shall report, in writing, to the federal Minister on Nova Scotia's success in meeting the "results on average child care fees and the average 50% reduction in fees by the end of 2022" by January 31, 2023.
- c) Continue to provide to Canada additional data required for the publication of the annual National Progress Report.
- d) Provide to Canada an audited financial statement of revenues received from Canada under this Agreement during the Fiscal Year

- i. The revenue section of the statement shall show the amount received from Canada under this Agreement during the Fiscal Year.
- ii. The total amount of funding used for ELCC programs and services under section 2.2.
- iii. The administration costs incurred by Nova Scotia in developing and administering ELCC programs under section 2.2.3.
- iv. If applicable, the amount of any amount carried forward by Nova Scotia under section 4.6.
- v. If applicable, the amount of any surplus funds that are to be repaid to Canada under section 4.7.

The financial statement shall be prepared in accordance with Canadian Generally Accepted Accounting Principles and the audit shall be performed by the Nova Scotia Auditor General or his/her delegate, or by an independent public accounting firm registered under the laws of Nova Scotia and shall be conducted in accordance with Canadian Generally Accepted Auditing Standards.

- e) Provide financial and administrative information, as required, to demonstrate progress in meeting the requirements in this Agreement.
- f) Canada and Nova Scotia recognize the importance of reporting to the public on results achieved under this Agreement. Within 365 days of the end of each Fiscal Year during the Period of this Agreement, Nova Scotia agrees to report to the people of Nova Scotia and Canada on the results and expenditures of ELCC programs and services. The report shall show separately the results attributable to the funding provided by Canada under this Agreement and be consistent with the Annual Report outlined under section 5.2.2 (a).
- g) To inform reporting on results related to Nova Scotia Action Plan, Nova Scotia agrees to undertake, and share results with Canada from, an annual census of child care providers and other participants in the sector in Nova Scotia to collect information, including: number of children enrolled, capacity (number of spaces), number of ECEs, ECE wages and qualifications, fee charged to parents, subsidies, number of First Nations, Inuit or Metis child care spaces supported, etc.. Costs of undertaking such a census would be eligible expenses under this Agreement, to the maximum set out in section 4.5.1.

5.2.3 Canada, with prior notice to Nova Scotia, may incorporate all or any part or parts of the Annual Report described under section 5.2.2 (a) into any public report that Canada may prepare for its own purposes, including any reports to the Parliament of Canada or reports that may be made public.

### 5.3 Audit

- i. Nova Scotia will ensure that expenditure information presented in the annual report is, in accordance with Nova Scotia's standard accounting practices, complete and accurate.

### 5.4 Evaluation

- i. As per established policies and processes with respect to program effectiveness, Nova Scotia will evaluate programs and services receiving funds provided under this Agreement and make public the results of any such evaluations.
- ii. Nova Scotia may be asked to participate in the evaluation by Canada of the initiatives under this Agreement and agrees to provide information as requested by Canada during and following the Agreement in order for Canada to evaluate relevant initiatives under this Agreement. Evaluation results will be made available to the public.

## 6.0 LONG-TERM COLLABORATION

6.1 Understanding that building a new social program is complex, and that both governments are committed to achieving \$10 a day child care, Canada and Nova Scotia will create an officials-level Implementation Committee that will monitor progress towards this goal in consultation with stakeholders. Nova Scotia will provide data to support the work of the Implementation Committee.

- 6.2 Canada and Nova Scotia, through the Implementation Committee and/or Designated Officials, agree to meet at least twice annually, timed to coincide with the planning and reporting cycles, or as agreed to by the Parties to discuss and exchange on issues related to this Agreement, including:
- i. Administration and management of the Agreement, including providing a forum for the exchange of information on annual planning priorities and reporting;
  - ii. Exchanging information on local challenges and priorities and the results of engagement with other relevant stakeholders, including official language minority communities;
  - iii. Providing a forum to exchange information on best practices and have discussions related to the implementation of the Agreement, for example, status of data collection and results, the planning of expenditures;
  - iv. Improving data collection and dissemination on key ELCC information, including culturally oriented ELCC information for indigenous children, Black and other racialized children, newcomer children, and other

- groups of children that may require additional consideration for accessing programs and services; and,
- v. Review and provide direction to resolve any issues arising from the implementation and management of this Agreement, and from the evaluation of provincial programs supported under this Agreement.
  - vi. Monitor progress towards the shared goal of \$10/day child care, in consultation with stakeholders; and
  - vii. In December 2022, report to the Governments of Canada and Nova Scotia on progress towards Canada and Nova Scotia's shared goals to date and for the remaining term of the Agreement.

Canada and Nova Scotia agree to share and release data as available, and share knowledge, research and information on effective and innovative practices in ELCC, to further support the development of and reporting on quality and outcomes. Canada and Nova Scotia agree to work together, and with stakeholders, towards the development of additional measures and indicators that could be included in bilateral agreements in the future that could reinforce the vision for Canada-wide ELCC.

## **7.0 COMMUNICATIONS**

- 7.1 Canada and Nova Scotia agree on the importance of communicating with citizens about the objectives of this Agreement in an open, transparent, effective and proactive manner through appropriate public information activities.
- 7.2 Canada and Nova Scotia recognize the importance of ensuring that the public is informed of Canada's financial contributions to Nova Scotia's ELCC programs and services, funded under this Agreement.
- 7.3 Nova Scotia agrees to acknowledge Canada's contribution by including federal identification in all public communications and marketing products, promotional material and advertising.
- 7.4 Canada agrees to acknowledge Nova Scotia's contribution in public communications and marketing products, promotional material and advertising where specifically related to or associated with Nova Scotia.
- 7.5 Canada reserves the right to conduct public communications, announcements, events, outreach and promotional activities about the Framework and bilateral agreements. Canada agrees to give Nova Scotia 10 days advance notice of public communications related to the Framework, bilateral agreements, and results of the investments of this Agreement.



- 7.6 Nova Scotia reserves the right to conduct public communications, announcements, events, outreach and promotional activities about the Framework and bilateral agreements. Nova Scotia agrees to give Canada 10 days advance notice and advance copies of public communications related to the Framework, bilateral agreements, and results of the investments of this Agreement.
- 7.7 Canada and Nova Scotia agree to participate in a joint announcement upon signing of this Agreement.
- 7.8 Canada and Nova Scotia agree to work together to identify opportunities for joint announcements relating to programs funded under this Agreement.
- 7.9 Nova Scotia will make best efforts to require service providers, funded under this Agreement to display federal identification to recognize that the programs and services provided receive Canada's financial assistance.
- 7.10 Nova Scotia agrees that promotional communications to all groups receiving funding through this Agreement (i.e., child care centres, regulated family child care homes, early learning centres, preschools and nursery schools, before-and after-school programming, businesses, associations, unions, training institutions, universities, colleges, and career colleges) will include federal identification and recognize Canada's financial assistance.
- 7.11 Canada will provide a mutually agreed upon standard letter to Nova Scotia for use in notifying all recipients of funding from this Agreement, to include federal and Nova Scotia identification and recognize Canada's financial assistance. Parties may collectively agree on an alternate version that appropriately identifies and recognizes both Parties.

## **8.0 DISPUTE RESOLUTION**

- 8.1 Canada and Nova Scotia are committed to working together and avoiding disputes through government-to-government information exchange, advance notice, early consultation, and discussion, clarification, and resolution of issues, as they arise.
- 8.2 If at any time either Canada or Nova Scotia is of the opinion that the other Party has failed to comply with any of its obligations or undertakings under this Agreement or is in breach of any term or condition of the Agreement, Canada or Nova Scotia, as the case may be, may notify the other party in writing of the failure or breach. Upon such notice, Canada and Nova Scotia will endeavour to resolve the issue in dispute bilaterally through their Designated Officials.
- 8.3 If a dispute cannot be resolved by Designated Officials, then the dispute will be referred to the Deputy Ministers most responsible for ELCC, and if it

cannot be resolved by them, then the federal Minister and Nova Scotia Minister shall endeavour to resolve the dispute.

- 8.4 If either Party has failed to comply with its obligations or undertakings and where Nova Scotia and federal Ministers are unable to resolve related disputes, a termination of the Agreement may be pursued in accordance with Section 10.

## **9.0 AMENDMENTS TO THE AGREEMENT**

- 9.1 This Agreement, including all attached annexes, may be amended at any time by mutual consent of the Parties. To be valid, any amendments shall be in writing and signed by Minister of Education and Early Childhood Development for the Province, and the Minister of Families, Children and Social Development.

### **9.2 Waiver**

Failure by any Party to exercise any of its rights, powers, or remedies under this Agreement or its delay to do so does not constitute a waiver of those rights, powers, or remedies. Any waiver by either Party of any of its rights, powers, or remedies under this Agreement must be in writing; and, such a waiver does not constitute a continuing waiver unless it is so explicitly stated.

## **10.0 TERMINATION**

- 10.1 Canada may terminate this Agreement at any time if the terms of this Agreement are not respected by Nova Scotia by giving at least 6 months written notice of its intention to terminate. Nova Scotia may terminate this Agreement at any time if the terms of this Agreement are not respected by Canada by giving at least 6 months written notice of its intention to terminate.

- 10.2 As of the effective date of termination of this Agreement under section 10.1, Canada shall have no obligation to make any further payments to Nova Scotia after the date of effective termination.

## **11.0 NOTICE**

- 11.1 Any notice, information or document provided under this Agreement will be effectively delivered or sent by letter, postage or other charges prepaid. Any notice that is delivered will have been received in delivery; and, except in periods of postal disruption, any notice mailed will be deemed to have been received eight calendar days after being mailed.

The address for notice or communication to Canada shall be:

Social Policy Directorate  
140 Promenade du Portage  
Gatineau, Québec K1A 0J9  
NC-SSP-ELCC-GD@hrsdc-rhdcc.gc.ca

The address for notice or communication to Nova Scotia shall be:

Department of Education and Early Childhood Development  
4<sup>th</sup> Floor, 2021 Brunswick Street  
Halifax, Nova Scotia  
B3J 2S9  
[EarlyYears@novascotia.ca](mailto:EarlyYears@novascotia.ca)

## 12.0 GENERAL

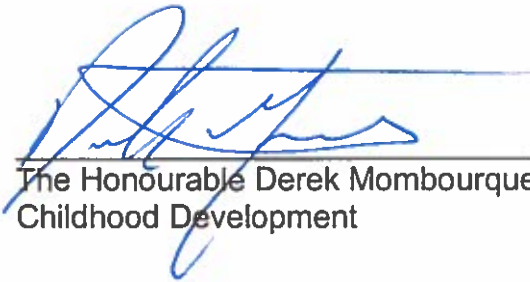
- 12.1 This Agreement, including Annexes 1 and 2 comprise the entire Agreement entered into by the Parties with respect to the subject matter hereof;
- 12.2 This Agreement does not displace federal investments in ELCC, based on the Multilateral Early Learning and Child Care Framework, Annex 1, concluded on June 12, 2017.
- 12.3 This Agreement shall be interpreted according to the laws of Canada and Nova Scotia.
- 12.4 No member of the House of Commons or of the Senate of Canada or of the Legislature of Nova Scotia shall be admitted to any share or part of this Agreement, or to any benefit arising therefrom.
- 12.5 If for any reason a provision of this Agreement that is not a fundamental term is found by a court of competent jurisdiction to be or to have become invalid or unenforceable, in whole or in part, it will be deemed to be severable and will be deleted from this Agreement, but all the other provisions of this Agreement will continue to be valid and enforceable.
- 12.6 This Agreement is drafted in English at the request of the Parties. *Les parties ont convenu que le présent Accord soit rédigé en anglais.*

SIGNED on behalf of Canada by the Minister of Families, Children and Social Development Halifax this 13 day of July, 2021.



The Honourable Ahmed Hussien, Minister of Families, Children and Social  
Development

SIGNED on behalf of Nova Scotia by the Minister of Education and Early  
Childhood Development at Halifax this 13<sup>th</sup> day of July,  
2021.



The Honourable Derek Mombourquette, Minister of Education and Early  
Childhood Development