

# Peel Region

## 2026 Provincial Pre-Budget Submission



# Introduction

Peel Region is confronting a converging set of housing, infrastructure, and human services pressures that require urgent and sustained provincial partnership. These challenges are driving increased homelessness, deepening inequities, straining emergency and health systems, which generates long-term social and economic consequences for families and the provincial government.

Additional pressures from the impacts of the current climate of global economic uncertainty, including manufacturing and job losses, have not deterred Peel Region from a commitment to support provincial housing and growth objectives.

We appreciate the significant investments the provincial government has made in Peel, however, stalled housing markets, declining development charge revenues, rising construction costs, and legislative changes have significantly constrained Peel Region's fiscal flexibility, while demand for housing, infrastructure, mental health, addictions, and violence prevention services continues to escalate.

Targeted provincial investment is required to unlock federal housing capital, accelerate shovel ready nonmarket and supportive housing projects, preserve existing community housing, and rebalance the cost share for essential housing supports and services. At the same time, predictable, allocation-based infrastructure funding and strengthened community-based health and social supports are critical to meeting growth targets and improving outcomes for residents.

A renewed, coordinated provincial partnership will enable Peel Region to deliver housing across the continuum, build housing enabling infrastructure, and invest in prevention focused services that reduce system pressures, advancing both economic growth and long-term community resilience across Ontario.

As the Ontario government moves forward in developing the 2026 Provincial Budget, Peel Region urges the consideration of the policy solutions outlined in this submission, that focus on:

1. Building Sustainable Housing Enabling Infrastructure
2. Peel's Housing Affordability Crisis
3. Food Security—Growing Affordability Gap
4. Mental Health and Addictions
5. Supports for Seniors
6. Combatting Gender-Based and Intimate Partner Violence
7. Addressing Child Care Workforce Challenges
8. Supporting asylum claimants in Peel's communities
9. Blue Box Transition

# Building Sustainable Housing Enabling Infrastructure

On November 27, 2025, the provincial government passed the *Fighting Delays Building Faster Act, 2025*, which effective January 1, 2029, will establish a new public corporation for Mississauga, Brampton and Caledon to deliver water and wastewater services. These services represent the majority of Peel's existing capital program.

In the lead up to 2029, Peel Region remains committed to supporting Ontario's housing targets (113,000 units in Brampton, 13,000 in Caledon, and 120,000 in Mississauga) through the building and maintenance of housing enabling infrastructure, such as water and wastewater infrastructure. Peel Region has taken on significant financial risk to support housing construction and affordability by approving significant updates to the Peel Region's Development Charges Grant Program based on funding commitments made by the provincial and federal governments. However, Peel Region's fiscal stability is being severely impacted by a stalled housing sector, Development Charge (DC) legislative changes, and global market uncertainty.

To help address these challenges, Peel Region continues to work closely with the provincial government to advocate for new federal allocation-based infrastructure programs that are aligned with municipal asset management plans.

## Moving forward, new infrastructure programs should:

- Increase capital funding and adjust formulas to account for elevated construction costs due to inflation. Over the five-year period (2020 – 2024, non-residential construction building costs in the Toronto Census Metropolitan Area increased by approximately 44 per cent.
- Align various independent funding programs to avoid delays in interdependent infrastructure projects. Barriers can otherwise be created when one type of infrastructure project is contingent on the successful and timely completion of another.
- Offer operating funding for projects that increase service costs. Property tax revenues generated by growth in assessment are not covering the rising costs of service delivery.
- Streamline funding application processes and financing agreements to reduce delays. Lengthy legal processes attached to each individual agreement, for example, can be prohibitively expensive for municipalities to engage in.

- Provide allocation-based funding with realistic timelines, eliminating single-year spending constraints and allowing alignment with each municipality's capital and asset management plans. This approach reduces costs by avoiding price fluctuations and contractor shortages associated with application-based funding.
- Consider changes to the calculation of the Annual Repayment Limit (ARL) to provide more capacity for municipalities to use debt to support housing-enabling infrastructure. For example, the Ontario government could exclude debt related to accelerated capital spending for housing-related infrastructure or any related DC collections in the ARL calculation. In addition, the provincial government should provide access to their government's lower cost of financing relative to municipal borrowing rates.

Adopting streamlined, predictable, allocation-based funding models will help enable municipalities to provide the backbone infrastructure required to meet provincial housing targets.

## DC Deferrals and Discounts Require Provincial and Federal Partnership

DC policy and legislative changes, including deferrals (Bill 17) and DC discounts, have added significant additional risk to Peel Region's growth-related capital program. These changes have created immediate and permanent funding shortfalls:

- Shifting DC payments from building permits to occupancy will reduce DC collections by up to \$300 million annually in 2025 and 2026.
- A 50% residential DC discount over the 2025–2026 period represents a permanent loss of approximately \$486 million.

This fiscal strain creates high levels of uncertainty regarding the scale and timing of housing-enabling projects. To meet provincial housing targets, Peel Region requires a predictable, long-term provincial and federal funding partnership that moves beyond the limitations of the current DC-funded model.

## Stagnant Housing Markets Reducing Growth Revenue

Peel Region successfully funds its growth-enabling infrastructure projects through the timing mismatch between the combination of DC collections and issuance of debt, which is then paid down through DC collections when growth occurs. Should anticipated growth not occur (or should adequate DC collections not be realized), the resulting shortfall in DCs to cover debt servicing costs must be funded, if not through provincial funding, then through increased tax and utility rates for Peel residents.

The stagnant housing market has caused DC collections to drop. Driven by rising interest rates and economic uncertainty, new housing projects have stalled. **In Peel, DC collections dropped from an average of \$295 million (2021–2024) to an estimated \$100 million in 2025. The 2025 data confirms this downward trend, deepening the fiscal challenges of funding growth-related infrastructure, which is eroding Peel Region's long-term financial flexibility.**

As DC collections plummet, Peel Region continues to face significant financial pressures resulting from funding the accelerated new housing-enabling infrastructure. As a result, DC spending has roughly doubled over the 2024–2025 period, when compared with the previous three-year period (2021–2023), to approximately \$510 million. Peel Region expects this problem to intensify, its 2026 Capital Budget for Water and Wastewater presents a 10-year capital plan of \$18.4 billion, \$14.1 billion of which is for growth-related infrastructure.

## Traditional Land-based Revenue Tools Can Not Ensure Municipal Fiscal Sustainability

Moving forward on critical infrastructure projects results in greater life cycle and asset management costs. Peel Region currently maintains a State-of-Good Repair deficit of \$9.7 billion (over a 20-year planning period), which is paid for through tax and utility rate contributions, made by residents, through the infrastructure levy.

Further, it is sometimes asserted that the property tax revenue generated from assessment growth associated with new housing infrastructure will in turn pay for the increased service demand costs arising from population growth. In Peel, this has not proven to be the case, as property tax revenue from assessment growth has not kept pace with Peel Region's annual property tax levy increases.

It has become increasingly clear that traditional land-based revenue tools, specifically property taxes, alongside DCs, have failed to keep pace with current economic realities, leaving Peel Region with limited fiscal flexibility to address escalating and evolving service needs.

# Peel's Housing Affordability Crisis

In 2024, approximately 101,516 households in Peel, or 1 in 5, were living in core housing need. Current service levels are now meeting less than 17 per cent of the overall need for affordable housing and supports in Peel. This highlights the urgency of the current housing crisis and situation, which is creating long-term social and economic consequences for families and for Ontario. Investing in community housing support and services can help address these consequences and the housing crisis.

**To address the housing crisis, close the housing affordability gap and meet the growing needs of Peel's residents, additional provincial funding is required, including:**

- **\$214 million to realize 1,444 units across 12 projects, enabling Build Canada Homes (BCH) funding consideration and driving orders for Ontario housing manufacturers**
- **\$86 million annually to prevent the loss of existing community housing**
- **\$72 million additional annually to move towards a more balanced cost-share approach to community housing supports and services**

## Unlocking Federal Housing Capital — Building Canada Home (BCH)

A sustainable and predictable provincial funding commitment is required and essential to unlock federal BCH financing for high-growth communities. However, loan-based aspects of the BCH program structure present a major barrier for municipalities. Under the current provincial fiscal framework, these federal loans count against a municipality's **Annual Repayment Limit (ARL)** which restricts Peel Region's capacity to take on the debt required to activate these projects. A provincial funding commitment for capital would help alleviate this debt pressure, helping enable Peel Region to secure BCH financing and accelerate its housing proposals. If there is debt tied to this program for Peel Region, exclusion from the ARL program would be required.

Securing provincial operating funding is also equally important, as it serves as the prerequisite for accessing dedicated federal supportive housing streams. Currently, federal capital for supportive housing is strictly conditional on having long-term operating commitments in place. By providing this vital operating

support, the provincial government will enable Peel Region to move forward on the very supportive housing that is needed to address homelessness. The provincial government's recent investment in Dunn House, in the City of Toronto, serves as a successful model that can be replicated and scaled across Peel to achieve similar life-saving outcomes.

Investing in these non-market and supportive housing projects delivers a dual return on investment for Ontario by stimulating economic growth while meeting critical social needs. **Research from the Canadian Centre for Economic Analysis highlights that every \$1 million invested in affordable housing generates \$7 million in GDP enhancements and creates nine new jobs.** Further, these investments support Ontario's manufacturing sector by providing a steady pipeline of orders for prefabricated and modular home builders. Bridging the funding gap today ensures that Peel Region can continue to drive these broad economic benefits while building a more resilient social infrastructure for the future.

To ensure Peel Region leverages every available opportunity, an all-of-Peel approach has been adopted that extends beyond regional properties. Through a Request for Expression of Interest, Peel Region is identifying qualified third-party proponents to maximize community wide participation in the BCH program. By aligning provincial operating and capital support with these local efforts, the provincial government can address increasing employment and housing challenges through a coordinated strategy that can help deliver permanent results for both residents and the provincial economy.

## 2025 Cost-Share Funding to Preserve Existing Housing Services

To respond to the full scale of the housing crisis, Peel Region requires increased provincial and federal investment in both capital and operating funding. This includes funding to not only expand affordable, supportive, and rental housing, as well as shelter spaces, but maintain existing services.

Peel Region continues to carry the largest funding burden, contributing five times more than the provincial government and nine times more than the federal government:

- In 2025, Peel Region covered 81% of total Housing Services costs (\$279.3 million), up from 77% (\$264.4 million) in 2024.
- Combined, provincial and federal funding fell from \$49.1 million in 2024 to \$45.4 million in 2025.

Property tax increases are insufficient for Service Managers to maintain services and scale to address the level of community need. Participation from senior levels of government is necessary to address the housing affordability crisis.

**A cost-share approach, with each level of government contributing one-third of costs, would result in the provincial government contributing approximately an additional \$72 million annually towards operational programs like Homelessness Prevention Program, Ontario Priorities Housing Initiative and others cost-shared programs.**

## **Addressing Peel's Encampment and Unsheltered Homelessness Crisis**

Homelessness in Peel continues to escalate, straining emergency shelter systems and increasing street homelessness. In 2024, a total of 8,610 individuals who were experiencing homelessness were provided with emergency shelter and supports. This was a 44% increase from individuals served in 2023.

Temporary measures, such as hotel and motel accommodations, provide immediate relief but are costly and unsustainable. These approaches divert resources from more effective long-term solutions, such as permanent supportive housing, portable housing subsidies, and deeply affordable housing, which are critical to addressing the root causes of homelessness. At current funding levels, Peel Region cannot provide enough of the critical supports needed to meet the growing demand. Without significant investment, many individuals will remain unhoused or in precarious housing situations.

**To achieve the level of investment needed, the provincial government is encouraged to adopt a more coordinated and integrated approach to funding supportive housing and wraparound services.**

This funding approach across the Ministry of Health, Ministry of Children, Community and Social Services, and Ministry of Municipal Affairs and Housing will better catalyze long-term stability.

## Food Security—Growing Affordability Gap

Despite joint efforts with community partners, data indicates that poverty and food insecurity in Peel has now become structural for a significant portion of the population and an increasing concern:

- As of April 2024, 13 percent (198,930) of Peel's population lives in poverty, including 9.5 percent (27,900) of children ages 0 to 17 years.
- Poverty and insufficient financial resources have been directly linked to food insecurity with approximately 28 percent of Peel households impacted by some level of food insecurity.

Previously, food security demand would rise, and fall based on the cost of living, wages and social assistance rates, but now the gap has grown too large and will likely not shrink without direct government intervention and requires sustainable funding.

**Provincial partnership with Peel Region and local emergency food providers is required to establish an emergency food system including a consolidated Food Distribution Hub to capture scale efficiencies in the system and meet the diverse needs of Peel residents.**

While Ontario Works and the Ontario Disability Support Program were designed to protect Ontario's most vulnerable, the current rate structures do not reflect current economic realities. These programs no longer provide a safety net as they have been frozen or set at lower than inflationary increases and recipients can no longer cover the cost of essentials like food and housing.

The gaps in the social safety net and rising economic uncertainty have resulted in an alarming trend in Peel. The rising cost-of-living is creating additional housing precarity and contributing to strains on affordability. Tariffs and other uncertainties are reducing employment opportunities and impacting incomes in the region. Most notably, food insecurity is now being experienced by residents both above and below the official poverty rate with more than 1 in 5 households experiencing food insecurity.

The situation with food providers in Ontario, particularly in Peel, have worsened for the eighth straight year and is driven by:

- Food inflation (averaging an annual increase of \$801 per family) and
- The rising cost of living with demand for emergency food services having surged by 40% to 60% year-over-year.

**Currently, 1 in 13 Mississauga residents and 1 in 16 Brampton residents now rely on food banks, a service level that exceeds the capacity of voluntary donations and municipal reserves.**

To date, provincial and federal funding has been limited and provided through project-based funding from Ontario Trillium Foundation leaving Peel's community partners having to rely on ad-hoc grants, donations, and fundraising as their primary source of revenue to deliver food programming.

## **Sustainable Funding for Peel's Food Security Sector**

For 2025/2026, Peel Region is utilizing temporary reserves and the municipal property tax base to support the provincial social safety net. This creates a fiscal "drag" that limits municipal capacity to invest in other provincially aligned priorities, such as housing-enabling infrastructure.

Peel Region has proactively invested \$7 million between 2022 and 2024 and a further \$4.34 million in 2025 to stabilize the sector. Peel Region's Community Investment Program and the 2025 Food Insecurity Fund represent a unique, agile model of social service delivery that the provincial government can leverage:

- Peel Region investments enabled the procurement of 35% more food in 2024, serving over 117,000 residents.
- Through the Food Security Capital and Innovation Fund, Peel expanded distribution space by 56,000 sq. ft. and tripled chilled storage capacity.
- A diverse Community Advisory Board of 10–14 providers ensures that funding is equitable, inclusive, and outcome-based, focusing on both emergency relief and long-term capacity building.

While community-level interventions help, they cannot eliminate food insecurity alone. All levels of government must invest in upstream social and health programs and poverty reduction policies.

## Mental Health and Addictions

As one of Ontario's fastest growing and most diverse communities, Peel Region is experiencing increasing pressures within its mental health and addictions (MHA) system. Peel Region is committed to working with the provincial government and local community partners to advance practical, cost-effective solutions that improve outcomes for residents while reducing pressure on the broader health care system.

**Investing in Mobile Integrated Programs, such as Peel's Community Paramedicine program, a HART Hub in Mississauga and implementing a population-based funding model that would strengthen community-based capacity, are essential approaches to addressing longstanding service gaps and supporting early intervention.**

### **Invest in the expansion of Peel Region's Community Paramedicine program to meet emerging needs in the community**

Mobile Integrated Health programs, such as the Community Paramedicine (CP) program, in Peel play a proven role in supporting individuals with complex health and social needs while reducing pressures on the broader health system.

**Peel Region is proposing a targeted MHA initiative that will focus on individuals experiencing homelessness or precarious housing, as well as those with mental health and/or addiction needs.**

These are individuals at high risk of requiring 911 response, emergency department care, or hospitalization, and whose needs align well with the care provided by Community Paramedics with specialized skills. Peel's proposed initiative builds on models that the provincial government has funded and recognized for improving client outcomes, reducing emergency department use, and strengthening community-based care through strong local partnerships.

This initiative would be delivered in partnership through a combined clinic-based and mobile outreach model, maximizing reach across Peel's communities and enabling care to be delivered where patients are most comfortable and likely to engage. Specially trained Community Paramedics would provide in-person assessment, short-term stabilization, recovery support, and timely connection to appropriate community-based mental health, addictions, housing, and primary care services.

Community paramedicine programs help reduce the use of emergency services and hospitals among people with complex needs. By providing proactive support to these individuals, these programs can prevent many avoidable ER visits and hospital admissions. With ongoing provincial funding, this community-based approach could provide measurable benefits to the health system and support Ontario's mental health and addictions priorities.

## **Fund Mississauga HART Hub**

The new Brampton HART Hub demonstrates strong provincial recognition of Peel's acute need for integrated, wraparound supports in managing complex needs. To meet the needs of Mississauga's underserved population, and given the scale and distribution of Peel's communities, additional funding for a HART Hub in Mississauga, in addition to the one currently operating in Brampton, is necessary.

**Peel Region is requesting the same funding other Hubs received (\$1.8 million in start-up costs and \$6.3 million in annual operating funding) to provide recovery and treatment services to those suffering from addiction and homelessness.**

## **Strengthen community-based mental health and addictions capacity**

A \$303 million three-year investment in 2025 by the provincial government has supported system stability and helped community providers manage rising costs and workforce pressures. However, chronic capacity constraints, long waitlists, and difficulty recruiting and retaining qualified staff continue to limit service access. As a result, individuals often experience a decline in health status until they require emergency department care, hospitalization, or police intervention. These outcomes are more costly, more traumatic, and less effective.

**The provincial government can provide support by adopting a population-based funding approach that reflects an equitable per-capita funding model that right sizes years of chronic underfunding.**

For example, in 2022–23, EveryMind estimated that child and youth MHA providers in Peel received average per capita funding of \$91.25 compared to the Ontario average of \$179.68. This equitable funding model should also be adjusted for socioeconomic vulnerability, geographic factors and inflation.

In addition to a population-based funding approach, targeted investments in upstream community-based services, such as walk-in counselling, culturally responsive care, and youth mental health supports, are proven approaches to reduce systemwide strain and improve long-term outcomes.

Peel's service needs have consistently outpaced available resources due to rapid population growth, significant demographic changes, and rising complexity in mental health cases. These challenges have contributed to a growing gap between service demand and capacity. Peel Region remains focused on supporting innovative solutions that can close service gaps and support the urgent needs of Peel residents.

## Support for Seniors

With seniors comprising nearly 20 per cent of Peel's population by 2041 and an increase in those living with dementia, the demand for long-term care continues to grow both in volume and complexity. The growing complexities of Peel's aging population, coupled with limited long-term care capacity, has increased demand for initiatives that support healthy aging in place.

**To address current and future demand for long-term care, the provincial government should:**

- Adequately fund long term care (LTC) homes to provide high quality care and maintain compliance with the Fixing Long-Term Care Act (FLTCA),
- Invest in adult day services and overnight respite care in Peel, and
- Enhance support for seniors' dental care to address Peel's current waitlist.

### Provide sustainable funding to support full compliance with the Fixing Long-Term Care Act

In addition to a growing and aging population, Peel Region continues to face operational pressures driven by inflation, labour settlements, and investments in critical quality improvement roles to maintain compliance with the FLTCA. In 2025 alone, these factors contributed to a **\$6.467 million funding gap** across Peel Region's five long-term care homes.

Peel Region contributes approximately 40% of LTC operational funding beyond the provincial allocation, which supports Peel LTC homes to deliver consistent, high-quality care.

**To maintain this level of care, Peel Region is requesting an updated funding model to support sustainability and continued FLTCA compliance given the significant increase in predicted demand.**

## Invest in Adult Day Services and Respite

Peel Region has made additional investments for overnight Respite and Adult Day Services (ADS), which are essential to fostering inclusive age-friendly communities and supporting caregivers. However, alignment between Ministry of Health and Ministry of Long-Term Care funding is vital to maintain comprehensive wraparound supports for seniors and caregivers.

Peel Region appreciates the provincial government's \$40 million investment under the Support for Seniors and Caregivers Act, including \$20 million for both adult day programs and respite services across Ontario. It is essential that funding is distributed in a way that meets unmet needs in Peel and addresses historic underfunding of community support services.

Through the recent application process, Peel Region submitted several applications for this funding and are in a position to increase capacity and rapidly scale care provision.

**To ensure equitable access to services and to adequately address waitlist demands, Peel Region requests the following:**

- **\$1.58 million for ADS expansion at Peel Manor**
- **\$1.04 million for Overnight Respite at Peel Manor**
- **\$729,000 to sustain and scale the Virtual ADS program.**

Peel Region is grateful to receive \$2.18 million as a part of the 2025/26 Community Access to Long-Term Care pilot and welcomes the opportunity to continue to partner with the provincial government to deliver on integrated and upstream models. This critical work will support the development of a scalable framework for bridging Ministry of Health and Ministry of Long-Term care priorities to meet the evolving and increasingly complex needs of older adults and caregivers.

## Support emotion-based care

Peel Region is a leader in emotion-based care that enables quality dementia care for older adults in our long-term care homes and the Peel community. However, current funding for long-term care does not reflect the specialized needs and higher costs required to deliver safe, high-quality dementia care, including emotion-based care approaches.

The one-time provincial funding for one of our long-term care homes, through the Improving Dementia Care Program, is a vital first step toward emotion-based care. While we appreciate this support, the program's limited funding makes it difficult to expand this approach across all homes despite the growing need. Ongoing flexible funding is critical to embed person-centred care, remove systemic barriers, and account for the growing costs associated with both training as well as required environmental, certification and programming implementation.

Peel Region is committed to working with the provincial government to implement an updated funding model, as well as policy and measurement frameworks, that supports high-quality, person-centred dementia care.

## Align funding for seniors' dental care with program enrolment

Demand for low-income seniors' dental services in Peel has outpaced provincial funding. While construction of additional clinics has been funded, operational funding has not increased, to allow full staffing and operation of the new clinics.

Peel Region receives significantly less Ontario Seniors Dental Care Program (OSDCP) funding than comparator public health units. Despite having similar OSDCP client enrolment to York Region, Peel Region receives \$6.5 million in base funding with nearly 21,000 seniors enrolled, whereas York Region receives approximately \$11.8 million with approximately 19,000 seniors enrolled.

The Canadian Dental Care Plan (CDCP) and the provincial senior's dental program currently cannot be coordinated, meaning seniors must choose one program at the point of treatment. Further, the federal program is not free for low-income seniors, with private dental offices able to charge fees above what the CDCP provides.

**To ensure equitable distribution of OSDCP funding and low-income seniors can access comprehensive, affordable dental care, the provincial government should consider reallocation of base funding among public health units, commensurate with program enrollment, and facilitate coordination of benefits between the CDCP and OSDCP.**

In the meantime, **Peel Public Health is exploring the feasibility of an adapted model that would leverage CDCP billing (in addition to OSDCP base funding) as an additional revenue stream to fill critical funding gaps.**

# Combatting Gender-Based and Intimate Partner Violence

Gender-based violence (GBV), intimate partner violence (IPV), and human sex trafficking are urgent and escalating crises in Peel. In 2024, Peel Region Police responded to more than 16,100 incidents of family and intimate partner violence, an average of 44 disputes per day. In Caledon, OPP reports a 44% increase in IPV and family violence disputes between 2021 and 2024, with women representing 64% of victims. Peel's Trafficking in Persons rate increased by 60%, exceeding both provincial and Toronto rates, while shelters remain over capacity. Increased reporting is associated with access to dedicated, safe and trusted programs that are trauma and violence-informed and survivor-centric.

Peel Region acknowledges the provincial government's recognition of IPV as an endemic issue. A formal declaration should now be matched with sustainable and dedicated funding, to enable Peel Region and service providers to maintain capacity, meet increasing demand or scale proven successful models.

**In response to these escalating crises, the provincial government should:**

- **Expand emergency and transitional housing capacity with wraparound supports.**
- **Advance Prevention, Integration and Local Collaboration by**
  - **Providing stable, multi-year provincial investment in prevention, early intervention and collaborative service models.**
  - **Aligning policies, funding and initiatives across ministries for shared accountability and system-wide impact.**

## Expanding Emergency and Transitional Housing Capacity in Peel

Shelters, emergency and transitional housing are operating beyond capacity. While recent provincial investments are welcome, funding has not kept pace with escalating demand. As a result, many individuals fleeing violence are forced to remain in unsafe environments, or become unhoused, increasing their risk of further harm. Safe and transitional housing is also the most effective deterrent to re-entry into trafficking and a more cost-effective alternative to crisis driven systems.

Peel Region has established a trusted, low-barrier model that effectively engages highly marginalized survivors. However, this trust cannot be sustained without stable access to dedicated housing. As Courage (Peel's Anti-Human Trafficking Integrated Service Hub) pivots to early intervention for ages 12–17, Peel faces an urgent gap in age-appropriate housing, since Peel-funded safe and transitional housing units currently serve only ages 16–24, putting young survivors at risk of returning to unsafe situations.

**Sustained, multi-year operational and capital funding is urgently needed to expand shelter capacity, add transitional housing, paired with wraparound supports (e.g., employment, childcare, food programs, and rent subsidies) to prevent crisis recurrence and support long-term recovery. Equally critical is investment in housing across the continuum — for children, youth, and adults (25+) — to support stabilization, reintegration and long-term independence.**

## **Advancing Prevention, Integration and Local Collaboration**

Peel Region commends the Standing Committee on Justice Policy for recognizing that effective prevention infrastructure must be multi-pronged and scalable, reaching children, youth, families and men. Through Peel's Community Safety and Well-Being Plan, Peel Region is driving coordinated community efforts, including facilitating collective submissions for OntarioSTANDS, by convening community partners to align funding priorities, identify system gaps, and present unified, evidence-informed recommendations. However, time-limited or siloed funding limits partners from planning and scaling effective interventions, leaving vulnerable populations at risk.

**To address these gaps, the provincial government should:**

- Provide stable, multi-year funding for proven collaborative models and investment in prevention and early intervention.**

While the provincial government's recent investment in expanding the Safe Centre of Peel with a new location in Mississauga was critical, sustainable base-funding is required to scale this co-located hub model for survivors to access trauma and violence-informed supports, legal services, housing navigation, and health care in one safe setting. Stable provincial funding will enable cross sectoral collaboration through data informed planning and ensure programs can reach those most at risk.

- Align policies, investments and initiatives across ministries to support shared accountability and maximized collective impact.

Peel Region is working collaboratively with cross-sector partners to align with Ontario's refreshed Anti-Human Trafficking Strategy's focus on early intervention for trafficked and at-risk children and youth, by partnering with Peel Children's Aid Society at nCourage. This partnership exemplifies shared accountability and integration of services, and alignment of provincial efforts can help ensure long-term collective impact.

Peel Region is committed to working with the provincial government to build a safer, more resilient community, preventing violence before it happens and supporting survivors of violence and exploitation with the resources they need to heal and rebuild their lives. By investing in housing across the continuum, scaling prevention and early intervention programs, and aligning policies and funding across ministries, we can help break cycles of violence and create lasting change.

# Addressing Child Care Workforce Challenges

Peel Region is facing a deepening child care workforce crisis that threatens the stability, accessibility, and quality of Early Years and Child Care services across Brampton, Mississauga, and Caledon. The sector's ability to meet community need is increasingly constrained by persistent recruitment and retention challenges, driven primarily by low wages, limited benefits, and growing workload pressures for Early Childhood Educators (ECEs) and child care staff.

As the Service System Manager, Peel Region is responsible for planning and overseeing a child care system that supports tens of thousands of children. Yet the sector's ability to expand affordable child care spaces, particularly under the Canada Wide Early Learning and Child Care (CWELCC) system, is directly tied to the availability of qualified staff. Without a stable workforce, and additional flexibility, the December 31, 2026, expansion target cannot be met, and existing programs risk closure or reduced capacity.

**To address these challenges, the provincial government should take immediate, system level action in three keys areas: increased compensation for ECEs, immigration policy reforms, and ongoing upper-level government funding.**

## Compensation framework for Early Childhood Educators

ECEs and child care workers across Peel have been vocal about the widening wage gap between the child care sector and school board employed DECEs. This disparity has accelerated the migration of qualified staff out of licensed child care and into the education system, where compensation, benefits, and working conditions are significantly better.

To address this, the provincial government should establish a fair compensation framework that aligns with Designated Early Childhood Educators (DECE) wages and recognizes qualifications and years of service.

The 2025 provincial wage floor of \$24.86 per hour falls below the GTA living wage of \$26.00 per hour and remains well below the compensation received by DECEs employed by school boards. The wage gap between experienced RECEs and new hires is narrowing, creating cost pressures for providers and reducing incentives for career longevity.

Engagement with families, service providers, and community partners reinforce that workforce instability is now one of the most significant barriers to access, affordability, and quality in the Peel child care system. Providers report chronic vacancies, high turnover, and increasing difficulty attracting new graduates to the field. These pressures undermine program continuity, limit the availability of culturally responsive and inclusive care, and place additional strain on remaining staff.

## Flexible, multi-year funding

Advancing \$10 per day child care is a shared goal of the provincial government and Peel Region while also addressing province-wide affordability challenges. Federal and provincial funding to date is driving success within the child care sector and continued funding will help municipalities and child care operators respond to local labour market pressures.

## Supportive immigration policies

Provincial support is critical to reaching the international talent pool needed to grow the early childhood workforce in Ontario as immigration is a key lever for addressing these structural workforce gaps. Many internationally trained early childhood professionals already reside in Ontario but face barriers to entering the sector, including lengthy credential recognition processes, limited access to bridging programs, and challenges securing work permits aligned with their qualifications.

Provincial support should include faster credential recognition through the College of ECE's for internationally trained workers; an Ontario-specific Ontario Immigrant Nominee Program (ONIP) stream for ECEs with permanent residency built in, and wage supports that make Ontario competitive with other provinces. Without guaranteed Permanent Residency timelines, affordable bridging programs and improved compensation, internationally trained ECEs will choose other provinces or leave the sector entirely.

By aligning immigration policy with Ontario's child care expansion goals, the provincial government can help ensure that workforce supply keeps pace with demand, enabling families to access the affordable, high quality child care spaces promised under CWELCC.

# Supporting asylum claimants in Peel's communities

Peel Region is experiencing unprecedented pressure due to the rapid growth of asylum claimants. Peel is currently home to an estimated 35,000 asylum claimants, with those residing in shelters and relying on Ontario Works posing the greatest pressure on local resources. This is significantly straining municipal homelessness and income support systems.

- In 2024, 8,610 individuals utilized Peel shelters, and almost 50% (4,300) were asylum claimants.
- In 2025 1,620 asylum claimants in Peel were supported through Ontario Works.

**With settlement services for asylum seekers, homelessness support, and employment services falling under provincial responsibility, Peel Region requests that the provincial government:**

- **Reinstate and expand funding for settlement services to meet the growing needs of asylum claimants already residing in Peel.**
- **Provide additional demand-based allocations for the shelter system and establish clear pathways to employment to improve stability and self-sufficiency among asylum claimants.**

Peel Region appreciates the province-wide one-time \$13 million investment in 2023–24 for asylum claimant settlement services in the community. It helped to stabilize services and enabled local agencies to respond to urgent needs. **However, funding ending in December 2024, Peel service providers have reduced staff and scaled back services due to ongoing federal and provincial funding shortfalls.**

## Multi-level government support

While the federal government is largely responsible for asylum claimants, Peel Region has stepped in to fill critical service gaps. Without continued federal funding, especially as the Interim Housing Assistance Program (IHAP) sunsets in 2027, Peel's homeless asylum claimant response will be at serious risk.

As such, Peel Region seeks provincial support to call on the federal government to:

- Provide stable and sustained settlement funding
  - Maintain and enhance IHAP beyond 2027.
  - Work with provincial partners to renew and expand funding with multi-year commitments that support agency planning and stability.
- Provide targeted supports for housing and employment
  - Increase funding for housing supports and implement measures to address discrimination against asylum claimants in the rental market.
  - Accelerate processing times for work permits and Social Insurance Numbers to facilitate faster transitions into employment.
  - Collaborate with the provincial government to identify areas with unmet labour market demand where relocated asylum claimants can secure both jobs and housing.
- Enhance federal-provincial coordination
  - Collaborate with provinces and municipalities to coordinate asylum claimant settlement and job placement.
  - Align federal and provincial funding formulas to address gaps in service affecting asylum claimants.
  - Increase federal data sharing with provinces to improve municipal forecasting and preparedness for potential surges.
- Build capacity for Nonprofits
  - Provide dedicated funding to support the operational stability of nonprofit agencies servicing equity-deserving groups, including asylum claimants.
  - Invest in workforce development to address staffing shortages and retention challenges across the sector.
  - Without renewed federal support the pressures on Peel's homeless system will be paralyzing and will delay asylum claimants' path to employment and housing. Continued partnerships are essential to protect vulnerable newcomers and maintain system stability.

## Blue Box Transition

Peel Region strongly supports Ontario's transition toward a circular economy and full producer responsibility for Blue Box services. However, recent amendments to the Blue Box Regulation (O. Reg. 391/21) under the *Resource Recovery and Circular Economy Act, 2016*, risk undermining these objectives. These changes can lead to service gaps, reduce recovery targets, and shift financial and operational responsibilities back to municipalities, threatening the stability and equity of the Blue Box system.

Peel Region has consistently supported provincial efforts to transition to full producer responsibility, recognizing its potential to improve capture rates, enhance environmental outcomes, and advance Ontario's circular economy goals. However, Peel Region's recent analysis highlights critical concerns, including:

- Amendments that delay or reduce recovery targets
- Postponing the planned expansion of Blue Box program to non-profit retirement and long-term care homes, new schools and new multi-residential buildings with six or more units; and
- Cancelling the planned expansion of Blue Box services by producers for public space collection in parks, playgrounds, and transit stations

**To ensure a smooth transition, protect community services, and to advance Ontario's circular economy objectives, the provincial government should:**

- **Consult with stakeholders on any future regulatory and legislative language of proposed amendments related to extended producer responsibility (EPR) programs, including Blue Box, before they are enacted.**
- **Mandate full producer responsibility for Blue Box services for both eligible and currently non-eligible institutions under Blue Box Regulation 391/21 starting January 1, 2026, preventing municipalities like Peel Region from incurring unforeseen financial and service delivery problems.**

As a result of amendments to the Blue Box program, public expectations for consistent access to recycling services will not be met, leading to potential declines in service satisfaction and diversion rates.

For instance, existing multi-residential buildings are serviced by producers as of January 1, 2026, but newly constructed multi-residential buildings, with six or more units, would not be eligible until January 1, 2031. These new multi-residential buildings will need to secure private recycling collection, potentially creating confusion and inequitable access for Peel residents and operational challenges for Peel Region and local municipalities. There is also significant housing growth projected for Peel, with approximately 240,000 new units to be built by 2031. Without provincial action, these residents will bear additional costs for private collection, if Peel Region does not provide Blue Box services to these new non-eligible sources, undermining housing affordability and recycling equity.

As such, Peel Region urges the provincial government to provide regulatory clarity, long-term system stability, and protection of existing service levels. While the amendments aim to address rising system costs and provide producers with greater flexibility, they pose significant risks for non-eligible institutions, such as small businesses, community facilities, and nonprofit organizations that currently rely on municipal Blue Box services. Municipalities will also face operational and financial challenges if these gaps are not addressed.

## Financial and operational challenges

There are 1,880 non-eligible institutions in Peel, generating an estimated annual tonnage of 1,800 tonnes of Blue Box materials. Starting January 1, 2026, the estimated annual cost of collecting and processing these materials will be \$2.5 million. Peel Region will face renewed financial and operational burdens, undermining the intent of full producer responsibility.

The removal of municipal responsibility for these groups could lead to service gaps, increased waste disposal, and financial burdens on organizations that lack the capacity to secure private recycling services. Peel urges the Ontario government to provide policy tools, or regulatory mechanisms to prevent the loss of recycling access for these community serving institutions.

Peel Region also urges the provincial government to maintain strong recovery targets, ensure producer accountability, and avoid further regulatory changes that weaken environmental performance for all extended producer responsibility programs. The provincial government and the Resource Productivity & Recovery Authority should work closely with municipalities to monitor system performance, address unintended consequences, and ensure producers meet their obligations under the framework.

