

TORONTO STAFF REPORT

January 27, 2003

To: City Council

From: Commissioner of Community and Neighbourhood Services

Subject: Report on Risks to and Opportunities for Child Care in Toronto

Purpose:

The document attached to this report outlines the current risks to child care in Toronto and recommends strategies for obtaining funding to sustain and expand services.

Financial Implications and Impact Statement:

There are no financial implications to the recommendations in this report.

Recommendations:

It is recommended that:

- (1) this report and the document, Preserving Child Care in Toronto: The Case for New Ontario Government Funding, be received by Council; and
- (2) the document, Preserving Child Care in Toronto: The Case for New Ontario Government Funding, be the foundation for action to obtain increased funds for child care from both the Ontario and federal governments.

Background:

On January 9, 2003, the Community Services Committee directed that the Commissioner of Community and Neighbourhood Services be requested to report to Council for its February-4,-2003 meeting, on the risks to Toronto's child care system and strategies for obtaining increased funding from the federal and provincial governments.

Comments:

Toronto's system of licensed child care provides services to over 45,000 children. The Ontario Government has reduced its support to Toronto for subsidized child care by \$11.8 million annually since 1999. This has had serious service impacts such as a loss of 1,616 subsidized spaces in 2002, a decline in physical infrastructure and an ongoing inability to pay operators the full cost of providing service for families receiving subsidized child care. Toronto wishes to maintain and expand child care. In annual budgets over the last 3 years, it has allocated the municipal 20% share to cover the costs of 2000 new spaces but the province has refused to cost-share the needed expansion. The City cannot continue to sustain child care alone. It needs the full partnership of the provincial and federal governments.

At the same time, the Ontario government has received \$266.8 million over that past two years from the federal Early Childhood Development Initiative (ECDI) for services to children. Although licensed child care is one of the areas for allowable spending, the province has so far refused to use any of the federal funding for this purpose. It appears that the province has not spent all of its ECDI allocation to date and that there are funds available that could be used for child care.

The federal government signalled in the fall Speech from the Throne that it will initiate a national child care plan. The City has an opportunity to influence federal direction and to press for a direct federal/municipal relationship to obtain child care funding if the Ontario government declines to participate in the new program at all or in ways that do not result in net new spaces in Toronto.

Conclusions:

The attached document, Preserving Child Care in Toronto: The Case for New Ontario Government Funding, outlines the current risks to child care in Toronto and recommends strategies for obtaining funding to sustain and expand services.

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List of Attachments:

Preserving Child Care in Toronto: The Case for New Ontario Government Funding
January 2003