Child Care Information Session

For Operators, Board Members, Owners, Administrators and Supervisors

November 2011
Overview of Toronto’s Child Care System

- Toronto manages the second largest system in Canada
- 938 child Care Centres
- 20 Home Child Care Agencies
- City of Toronto operates 56 child care centres and 1 home child care agency
- 53,000 spaces
Service Plan and Equity

Geographic Equity: Ensures equitable access to subsidy across the City.

Age Equity: Ensures equitable access to subsidy across age groups.
Why Full-Day Kindergarten Impacts Child Care

- 4 and 5’s leave child care & enroll in FDELK creating vacancies in preschool programs
- Vacancies result in potential revenue loss
- Potential for filling preschool vacancies (21/2 to Kindergarten entry) are limited when relying on families with a fee subsidy
- Parent fees for younger ages increase when preschool programs operate with smaller numbers of children – cross subsidization
- Risk to operators of remaining financially viable
The French Experience

• French Boards adopted Full-Day Kindergarten in 1998

• Kids quickly moved over to full day programs
  – Difference this time around – modified (play-based) curriculum that is built for a full-day.

• Centres have adjusted and thrived without additional wage subsidy
Assumptions: FDELK

- All 4 & 5 year olds will leave the child care system
- All other age groups, including 6 -12 year olds, will remain in the child care system
- Subsidies for 4 & 5s will be 100% Provincial $
- Subsidies will be seamless & follow the child
- Capital investment will occur in the non-profit & public sector
- All child care funding currently in Toronto will remain in Toronto
Ward Analysis Overview

2010
Initial Analysis
- Phase 1 impact on child care
- Space survey
- Quantity surveyor report

Assumptions

2011
Interim Analysis
- In depth look at whole system
- Apply assumptions
- Identify and forecast child care operator plans

Projections

Conclusions
- Capacity of system
- Access to spaces
- Wards at risk
- Capital investment required
- Opportunities

Investment Strategy
Resources

Provincial Resources

Child Care

School Boards

Reinvestment:
- fee subsidy
- wage subsidy
- rent

4 and 5 year olds
Transitional Requirements

- Funding required to sustain current child care system as 4 and 5 year olds move to ELP

- $51 million Ontario
- $11.7 million Toronto (estimated)
- $27 million estimated need
- $15.3 million shortfall
  ($9 million shortfall after reinvestment of savings related to 4 and 5 year olds)
Capital Requirements

Needs

- Schools (91 centres) $13.9 million
- Community $13.5 million

Allocation

- Phase 1 & 2 $332,000
- City of Toronto Health & Safety $1 million
Scenario Maps

• The following maps show two scenarios:

• Scenario 1: Full implementation with no changes (if every centre at risk closes)

• Scenario 2: Full implementation if Operators’ Plans are realized
Centres at Risk – Year 5
Scenario 1 – no changes

A centre is defined at risk when:
• The centre has the potential to lose 25% or more of its revenue as kindergarten age children transition from child care into the school system; and
• The centre generates 50% or more of its revenue from subsidized children
Projected Infant Capacity

Scenario 1: No changes
Scenario 2: Operator Plans Realized

Scenario 1 forecasts the capacity to September 2014 and assumes centres defined at risk will close.

Scenario 2 forecasts the capacity to September 2014 and assumes financial resources are available for centres to reconfigure to serve younger children.
Projected Infant Capacity – Year 5
Scenario 1 – no changes

Scenario 1 forecasts the capacity to September 2014 and assumes centres defined at risk will close.

Infant capacity available to meet the early learning and care needs of children in receipt of subsidy (#1)

- insufficient
- barely sufficient
- sufficient
- more than sufficient

# = ward equity target
# = projected capacity

District boundary

City of Toronto
Projected Infant Capacity – Year 5
Scenario 2 – Operator Plans Realized

Scenario 2 forecasts the capacity to September 2014 and assumes financial resources are available for centres to reconfigure to serve younger children.
Projected Toddler Capacity

Scenario 1: No changes

Scenario 2: Operator Plans Realized
Projected Toddler Capacity – Year 5
Scenario 1 – no changes

Scenario 1 forecasts the capacity to September 2014 and assumes centres defined at risk will close.
Projected Toddler Capacity – Year 5
Scenario 2 – Operator Plans Realized

Scenario 2 forecasts the capacity to September 2014 and assumes financial resources are available for centres to reconfigure to serve younger children.
Projected Preschool Capacity - Year 5

Scenario 1: No changes

Scenario 2: Operator Plans Realized
Projected Preschool Capacity – Year 5
Scenario 1 – no changes

Scenario 1 forecasts the capacity to September 2014 and assumes centres defined at risk will close.
Projected Preschool Capacity – Year 5
Scenario 2 – Operator Plans Realized

Scenario 2 forecasts the capacity to September 2014 and assumes financial resources are available for centres to reconfigure to serve younger children.