The Current Service Sector

Within the changing landscape, Toronto Children’s Services plans, funds, manages, and administers a variety of services for children and families in Toronto. These include child care, family support programs, and special needs resources. This section provides an overview of the existing programs and services that are managed by Children’s Services, as well as current considerations for planning them.
Children’s Services is moving towards a model of services that is organized along a continuum defined by a child’s stages of development. In this way, we can cater specific programs to children’s changing needs and plan for a seamless system of services that moves with children as they grow. Ensuring that children experience a smooth transition between each stage requires integrated planning with school boards and other partners.

### EARLY YEARS

<table>
<thead>
<tr>
<th>Prenatal/Infant</th>
<th>Toddler 1½-2½ yrs</th>
<th>Preschool 2½-4 yrs</th>
</tr>
</thead>
</table>

A child’s development is particularly sensitive in the early years. What happens during the first three years has lifelong implications for everything from health to school success. Programs and services available to children and families provide the opportunity to positively affect a child’s development now and into their future.

A range of programs are available to families with children in the early years, from pregnancy through infant, toddler, and preschool stages. Programs include pre- and post-natal programs, child care, family support, parenting programs, and a number of special needs and early identification supports.

### SCHOOL AGED

<table>
<thead>
<tr>
<th>Kindergarten 4-5 yrs</th>
<th>Middle Childhood 6-8 yrs 9-12 yrs</th>
</tr>
</thead>
</table>

With the implementation of full-day kindergarten, school now plays an even more significant role in the lives of 4 and 5 year-olds. While their developmental needs are different from those of older “school age” children, both need programs outside of school hours, including during professional development days and school holidays. Integrated before- and after-school programs based in schools provide children with a seamless day with shared pedagogy and fewer transitions.

For 6 to 12 year-olds, high quality out-of-school-time programs have significant positive impacts. Programs run by trained staff who provide planned and purposeful activities can benefit children’s physical, social, emotional, and academic development through middle childhood. Recognizing the unique needs of 9 to 12 year-olds is important in keeping them engaged. Meaningful programs for this age group can support their transition to youth, when they face new expectations and challenges.
Children’s Services’ operating budget comes from three sources: funding from the City of Toronto; funding from the Province of Ontario; and user fees.

**USER FEES**

$19 million of Children’s Services’ budget comes from user fees. These fees are the payments made by families who receive a partial fee subsidy for child care.

**CITY OF TORONTO**

The City of Toronto contributes $104 million dollars towards the total budget of Children’s Services. Approximately $77 million comes from annual property taxes, and $27 million comes from the reserve funds, and other sources.

Almost three quarters of Children’s Services’ budget comes from the Province of Ontario. In 2015, the Province will transfer $329 million to the City of Toronto for services related to children and families. Recently, provincial legislation gave more authority to each municipality to decide how to best allocate this funding to address local needs.

How we spend it:

- Fee subsidy
- Child care base funding
- Provincial wage enhancements
- Special needs support
- Other program support
- Capital
- Family support programs
- Admin

Children’s Services 2015 Operating Budget: $452 million

$452 million

$19 million

$104 million

$329 million
determining child care demand and growth

Toronto Children’s Services is responsible for planning and managing the second largest child care system in Canada, after the Province of Quebec. Understanding and predicting demand for child care is necessary for planning the system. Some factors that are used to determine child care demand include: women’s participation in the work force; income levels; population forecasts; and birth rate. All of these methods have limitations. Regardless of the method used, we know that the current supply of child care in Toronto is nowhere near adequate. Over the past two years, through a comprehensive survey of over 6,000 families, we consistently heard that the most significant issues that families face in finding care is the lack of availability and cost.

In Toronto, where 25 per cent of children live in low-income households, there is additional demand for assistance to help cover the cost of licensed child care. There are 25,116 fee subsidies currently available to help eligible families with this cost. The current supply of subsidies only meets the needs of 7 per cent of the child population from newborn to age 12, or 29 per cent of children living in poverty. There are currently 16,802 children on the waitlist for a subsidy.⁵

Increasing both the physical space and the number of fee subsidies available is critical. In order to demonstrate the magnitude of growth needed in Toronto, we have outlined a number of scenarios, focusing on growth in fee subsidies. Of course, these scenarios would require even greater growth in child care spaces to serve families that are not eligible for fee subsidy.

64,700 licensed child care spaces can only accommodate 19% of children from newborn to age 12 in Toronto

346,320 children in Toronto (newborn - age 12)
87,590 children in low income families
25,116 subsides

⁵ This number represents waitlist data from Jan 8, 2015
This graph illustrates hypothetical benchmarks based on the current child population. For the purposes of these benchmarks, we are focusing on child care fee subsidies. Though this is not reflected in the graph, this would also require corresponding growth in child care spaces.

Due to the high cost of child care, many families need a fee subsidy, not just those who are low income. It is a modest assumption that at least 30% of families need a fee subsidy.
Early learning and child care is central to our work. Toronto’s current system includes 946 child care centres and 19 home child care agencies, together offering approximately 64,700 licensed child care spaces. Approximately 69 per cent of licensed programs are operated by non-profit organizations, 25 per cent by commercial businesses, and 6 per cent by the City.

Over the last five years, child care spaces in licensed centres grew by 16 per cent, from 53,203 to 61,640. While any increase is positive, combined with Home Child Care, the system can only serve 19 per cent of the child population from newborn to age 12. Given the limited capacity of Toronto’s licensed child care system, a significant unlicensed (informal) sector exists in Toronto. Unlicensed care is not regulated and is not required to meet provincial or municipal standards. The City’s priority is growth in the licensed sector.

It is important to note that access to a child care space can vary significantly from neighbourhood to neighbourhood. Some parts of the city have better access than others as a result of decisions made prior to amalgamation. Historically, there has been greater child care capacity in the downtown core. With the slow growth of the system, newer communities have not been able to achieve the same access to child care. Capital planning must take this into consideration.
Licensed child care for the early years – children up to age 4, including infants, toddlers, and preschoolers – is provided through centre-based care or by a home child care provider who has a contract with a licensed home child care agency.

Child care centres that serve the early years have undergone significant change over the past five years. As four and five year olds moved to full-day kindergarten (FDK), many child care operators adapted their service model to match demand by serving younger children. Since 2010, 3,942 preschool spaces have closed or transitioned to kindergarten spaces as a result of FDK. Recognizing the need to increase spaces for infants and toddlers, Children's Services and the Province provided capital funding to operators to reconfigure the spaces left vacant by kindergarten children. This resulted in an increase of 535 infant and 2,343 toddler spaces since 2010.

As of January 2015, the licensed child care system included:

- 269 centres providing 3,158 infant spaces: serving 7 per cent of infants or 1 space for every 13 infants
- 523 centres providing 8,662 toddler spaces: serving 31 per cent of toddlers or 1 space for every 3 toddlers
- 787 centres that provide 23,184 preschool spaces: serving 55 per cent of preschoolers or 1 space for every 2 preschoolers

**PLANNING CONSIDERATIONS**

There is an ongoing shortage of child care for infants and toddlers in Toronto. Despite a modest increase over the last five years, there are not nearly enough subsidized infant spaces to meet demand across the city. For example, 26 per cent of children (or 4,349 children) on the fee subsidy wait list are infants, despite making up only 12 per cent of the child population. In some wards, there are not enough spaces to accommodate the number of subsidies available to infants in that ward. One of the main causes of this shortage is the high cost of maintaining infant vacancies. This risk is a major disincentive to child care providers to develop infant spaces. Children's Services needs to consider capital strategies and other mechanisms to support the growth and viability of infant child care.

🌟 See action 3 (pg. 56)
Increasing the licensed child care capacity in Toronto is a priority for Children’s Services over the next five years. A comprehensive Capital Strategy has been created that documents potential resources available to Children’s Services and identifies targets that we will strive to achieve over the next five years. The Capital Strategy can be found at toronto.ca/children/serviceplan.

The municipal resources available to Children’s Services to increase licensed child care spaces include the financial commitment made in Children’s Services 10-year capital plan, which is supported by development charges, Section 37 agreements, and reserve funds. Additional resources are available through provincial funding under the Early Learning Transition Capital Funding Grant (ELT) for the transition to full-day kindergarten and the Schools First Child Care Capital Retrofit funding, which will create 490 spaces in schools. In addition, the provincial funding formula allows for flexibility to redirect operating funds to capital projects.

Children’s Services actively pursues partnerships with other City divisions and partners who are planning expansions or capital developments. For example, opportunities in new service hubs and partnerships with school boards and Toronto Community Housing are regularly explored. This helps to address the issue of lack of physical space to develop in Toronto and reduces the cost of development.

As previously identified, a primary focus of the capital strategy will be on creating licensed spaces for infants and toddlers (from newborn to age 3). As a starting point, we will prioritize wards where the number of fee subsidies available for infants and toddlers is greater than the number of available spaces. We know that as a general rule, families prefer child care close to home. Neighbourhoods within an identified ward will be targeted to improve access to child care where it is most needed. Once we take into account any new spaces that have already been planned and committed to, there is a need for an additional 451 licensed spaces (363 infant and 88 toddler spaces) to align the number subsidies targeted for infants and toddlers in a ward with the number of spaces available.

This is a minimum growth scenario recognizing that the demand for increased spaces is even greater given the needs of families who are not in receipt of a child care fee subsidy. While this target will not address the insufficient supply of child care in Toronto, the City cannot build a child care system through the property tax base alone. In order to meet the needs of Toronto’s families, all orders of government must commit to a long-term child care strategy.

By the numbers:

- **FIVE-YEAR EXPANSION TARGET**
  - 490 Schools First
  - 100 Capital Plan commitments
  - 310 Section 37 and other capital
  - 200 Early Learning Transition
  - 451 additional spaces

Total: 1,551 infant & toddler spaces

See actions 2 (pg. 56); 3 (pg. 56); 6 (pg. 56); 20 (pg. 58); 31 (pg. 60)
The map below shows the wards that require the most infant and toddler spaces to meet the needs of families in receipt of a child care fee subsidy in the ward. These wards are the highest priority for capital investment.

# - Number of infant and toddler spaces in centres with a service contract for fee subsidy
# - Number of infants and toddlers living in the ward and waiting for a fee subsidy
As of September 2014, full-day kindergarten (FDK) is available to four and five year-olds in every elementary school in Toronto. FDK is a play-based educational program, with a blended staff model that includes both a certified teacher and a registered early childhood educator (RECE). A publicly-funded full-day early learning program, supported by a strong child care sector, has obvious benefits on child outcomes and poverty reduction. School boards are also mandated to provide extended before- and after-school programs at schools where there is sufficient demand — i.e. interest from the families of at least 20 kindergarten children — and board capacity. This is intended to extend learning and provide a seamless day for children who require care outside of regular school hours. In Toronto, with the exception of one program operated by a school board, this new model of before- and after-school care is run by third-party child care providers.

Over the past five years, Children’s Services has worked with school boards, child care providers, and families to support the transition to FDK. There are now 280 kindergarten before- and after-school programs, with the capacity to serve over 8,200 children. There continue to be 85 licensed child care programs serving 1,559 kindergarten children that have yet to transition to the new model of before- and after-school care. Most are located outside of schools. In total:

- 365 programs providing over 9,759 spaces: serving 18 per cent of kindergarteners or 1 space for every 6 children

PLANNING CONSIDERATIONS

Now that FDK is in every school, the expectation that Children’s Services and school boards will work together has grown. However, there are few formal structures in place for sharing space and resources between schools and child care programs. Clarifying roles and responsibilities would help to build a culture of cohesion and create a seamless experience for children.

The current process of assessing demand for before- and after-school programs through family surveys has not been effective at identifying the true demand. Joint planning and data sharing between school boards, principals, Children’s Services, and child care providers would help to determine where programs are needed.

Now that kindergarten is available for the full day, many families only require part time care during the hours before and after school. The cost of care has substantially decreased by approximately $12 to $24 per day. These cost savings have presented an opportunity for Children’s Services to review, invest, and expand service levels across the system.

★ See actions 4 (pg. 56); 6 (pg. 56); 20 (pg. 58)
“Middle childhood” refers to children aged 6-12 (in grades 1-6). Children in this age group receive care in out-of-school-time programs including licensed child care and authorized recreational and skill building programs. These include programs offered by Toronto Parks, Forestry & Recreation (PFR), such as 38 After-school Recreation Care (ARC) programs, and five Community Leadership After-School Programs (CLASP) for youth aged 10-15. Currently, there are 463 licensed child care programs, 55 programs run by PFR, and 146 community recreation programs serving this age group. In total:

- 664 programs providing 25,145 spaces:
  - serving 14 per cent of children aged 5-12 or 1 space for every 7 children

There are also 34 summer camps funded by Children’s Services, with a capacity to serve approximately 2,900 children.

Lack of access to middle childhood programs is an acute issue across the city. Through numerous consultation initiatives, middle childhood programs were identified as a top priority. This is a particularly significant issue for newcomer families and families with older children (9 to 12 years). Data demonstrates that the uptake of child care fee subsidy decreases steadily for older children.

**PLANNING CONSIDERATIONS**

The Toronto Middle Childhood Strategy and implementation plan describe the fragmentation of programs for this age group. There are many different service providers, funders, and stakeholders. We need a more coordinated approach to increase the availability of affordable out-of-school-time programs, particularly in areas that are underserved. High quality across all types of programs can be achieved through shared standards of practice.

The needs of children aged 6-12 are not always met in licensed child care. Through new regulations, the Child Care and Early Years Act will provide clarity around exceptions to licensing for authorized recreation programs. With this clarity, we need to develop program models across this age continuum that are engaging, physically active, and developmentally appropriate, particularly for older children (age 9-12). Developmentally-appropriate programs help older children with the transition to youth.

See actions 5 (pg. 56); 20 (pg. 58); 26 (pg. 59)

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6 “Out-of-school-time” includes before- and after-school, summer holidays, March Break, professional activity days, and other school holidays
middle childhood programs

Percentage of children aged 6-12 with access to middle childhood programs by ward

Legend:
- over 20%
- 15.1% to 20%
- 10% to 15%
- 10% to 15%
- less than 10%
There are many schools without kindergarten before- and after-school and middle childhood programs. In these cases, families must find alternative arrangements, often outside of the regulated system. It is a priority for Children’s Services to provide continuity for children by developing programs for middle childhood in schools that have kindergarten before- and after-school programs. In Toronto, families consistently affirm that schools are their preferred location for programs for school-aged children. Similar to kindergarten, amendments to the Education Act will require school boards to provide an “extended day” program for children in grades 1-6 in schools, wherever there is demand. As this requirement is implemented, Children’s Services must continue to help service providers with the transition.

By the numbers:
- 48% of schools have a kindergarten before- and after-school program
- 66% of schools have a middle childhood program
- 43% of schools have both programs
- 30% of schools have neither program
Licensed child care is available for children in approved private homes across Toronto. Approximately 3,100 children ranging from newborn to 12 years old receive care in 1,100 homes. These homes are contracted through 19 licensed home child care agencies, including one agency operated by Children’s Services, called Toronto Home Child Care (THCC). Families may choose home-based care for a number of reasons, but it is particularly vital for families who work shifts, part-time or irregular hours, as home providers may have more flexibility to adapt to families’ schedules.

Ten of the 19 home child care agencies have a service contract with Children’s Services to provide care to children who receive a fee subsidy. Of all 3,100 children served by those agencies, 88 per cent receive a fee subsidy. Of those, 11 per cent are infants, 15 per cent toddlers, 15 per cent preschoolers, 19 per cent kindergarteners, and 40 per cent middle childhood. Home child care agencies with a contract also receive support through an annual assessment process by Children’s Services to assist them in identifying opportunities for quality improvement and professional development within the home setting.

PLANNING CONSIDERATIONS

Many home child care providers lack stability and are struggling to remain financially viable. This has been exacerbated by the financial impacts related to the implementation of FDK, as the income generated from providing kindergarten care decreased from full-time to part-time. Children’s Services recognizes the need to support home child care and to work with home child care agencies to review their role within the changing landscape of licensed child care. A review will include an examination of rate structures and payment guidelines to support the financial viability of agencies and individual providers.

Home child care must be an equally accessible option for all families. Children’s Services will explore how to strengthen the capacity of home child care to provide extra support for children with special needs and cultural programming for Aboriginal, French-language, or newcomer groups.

The safety and quality of home child care is vital. The new Child Care and Early Years Act includes changes to both the total number of children, and the number of children based on age that can be cared for in each home. As the service system manager, Children’s Services will ensure that any changes are made in a locally-responsive way that maintains the safety and quality of home-based care in Toronto.

See actions 11 (pg. 57); 25 (pg. 59)
Children’s Services directly operates 52 child care centres with the capacity to serve 2,794 children. We also operate one licensed home child care agency – Toronto Home Child Care (THCC) – which contracts with 197 home providers who serve approximately 725 children. While TELCCS and THCC serve all age groups, together they serve approximately 396 infants, representing 13 per cent of infant care in Toronto.

TELCC programs are located across the city, with a mandate to target communities that are underserved and to support families that face multiple challenges. Approximately 68 per cent of children enrolled in TELCCS programs come from lone-parent families, and 95 per cent receive a child care fee subsidy. For those families in receipt of a fee subsidy, the median income is $20,432 versus a Toronto median household income of $58,381. There are 15 TELCCS centres located in or adjacent to Toronto Community Housing. TELCCS also works with Shelter, Support & Housing Administration to provide immediate child care to families in the shelter system.

TELCCS also draws on its extensive experience to support community child care providers. It supports non-profit service providers in need of operational and crisis support by providing staff resources and leadership assistance.

PLANNING CONSIDERATIONS
TELCCS and THCC are in a unique position to support families and communities that face more acute vulnerabilities. To this end, there may be opportunities to implement research initiatives that measure the impacts of child care on life-long outcomes, family well-being, and community development. Through pilot projects, TELCCS and THCC are in the position to test new policies and methods of service delivery to help address diverse challenges that many families face. Children’s Services will continue to explore how we can leverage TELCCS and THCC programs to support child and family well-being in targeted communities and across Toronto more broadly.

By the numbers:

**TELCCS**
- 52 child care centres, with capacity to serve:
  - 344 infants
  - 600 toddlers
  - 1,229 preschoolers
  - 230 kindergarteners
  - 391 middle childhood

**THCC**
- 197 home providers serving 725 children

See action 34 (pg. 60)
Aboriginal Peoples are the experts on the cultural and political landscapes of their own communities, including urban Aboriginal communities. Children’s Services works with First Nation, Inuit, and Métis people living in Toronto, to understand and address the ongoing impacts of colonialism. This includes the intergenerational impacts of residential schools and child apprehension. The Aboriginal Advisory and Planning Committee of the Child and Family Network guides our decision-making and initiates community-based research projects.

There are two Aboriginal child care and three Aboriginal Head Start programs, operated by Native Child and Family Services of Toronto (NCFST). The Scarborough Child and Family Life Centre provides child care for up to 56 children from newborn to age 6. It is a model “Child and Family Centre” (see pg. 21) with a variety of cultural programming. Gizhaadaawgamik provides a before-and after-school program for up to 20 kindergarten children. Head Start, funded by the federal government, focuses on the spiritual, emotional, intellectual, and physical development of Aboriginal children, while supporting their families. Busing participants to the program has contributed to its success, and its 48 spaces are consistently full.

Over the last five years, Gizhaadaawgamik closed its preschool and middle childhood programs. Two other Aboriginal child care centres – Kiwewedong and Awashisuck – also closed due to low enrolment. Children’s Services has been working closely with NCFST to ensure the ongoing viability of the remaining culturally-specific child care programs. In this partnership, we have successfully implemented a number of stabilization strategies, including dedicated resources for cultural programming and targeting the placement of Aboriginal families.

PLANNING CONSIDERATIONS

While there is demand for culturally-specific child care, many Aboriginal families face barriers in accessing it. The closure of four programs over the last five years provides insight into the challenges that prevent Aboriginal families from enrolling in available programs. These include: the lack of culturally-targeted outreach; difficulty navigating the system; and fee subsidy eligibility. Further, the Aboriginal population is dispersed across Toronto, making it difficult for programs to remain viable in any one neighbourhood. Building on the success of strategies used with NCFST, Children’s Services needs to explore longer-term methods of increasing access to Aboriginal child care that are responsive to community realities (i.e. targeting areas where Aboriginal families use other services). At the same time as supporting culturally-specific programs, we can also enhance relevant programming for Aboriginal families across Toronto by infusing cultural competency within non-Aboriginal child and family services across the system.
French-language families can access licensed child care in exclusively French speaking environments in locations throughout the city. There are 22 licensed French-language child care centres across Toronto, including three commercial and 19 non-profit centres. Together, these centres have a capacity to serve 1,581 children – an increase of 541 spaces over the last five years. These spaces make up 2.6 per cent of available centre-based child care in Toronto. French-language families currently access less than 1 per cent of available fee subsidies (or 224 subsidies).

With the exception of one centre, all French-language child care is located in a French-language elementary school. There are 18 French-language elementary schools in Toronto, operated by the Conseil scolaire Viamonde (public) and the Conseil scolaire de district catholique Centre-Sud (Catholic).

Children’s Services provides support to licensed French-language child care providers through one dedicated Children’s Services Consultant, two bilingual Quality Assessment Analysts, and two Special Needs Resource Educators (SNRs). These SNRs are contracted through the Centre Francophone, a key partner that provides a range of services and programs to the French-language community in Toronto.

**PLANNING CONSIDERATIONS**

French-language families lack access to infant and toddler care. Despite growth in French-language child care, there are only 26 infant and 155 toddler spaces available. New spaces must be developed in new centres, home child care providers or schools, in order to address the needs of families. At the same time, options for a French-language child and family centre will need to explored with service providers and families, given the limited family services in French, geographic location of schools, and the dispersal of the population across Toronto.

The recruitment and retention of qualified RECEs is especially challenging for French-language programs. While French-language school boards had FDK previous to its implementation across the province, it is a new staffing requirement that all classrooms have an RECE. This has put added strain on an already limited workforce. Further, French-language service providers lack sufficient training and professional development delivered in French to stay informed of changes in the sector and to advance quality. Children’s Services needs to target efforts towards supporting the French-language workforce.

See actions 13 (pg. 57); 17 (pg. 58); 36 (pg. 60)
Licensed child care in Toronto is expensive. According to recent research comparing public fees for infant, toddler, and preschool care across large Canadian cities, Toronto has the highest average public fees. The median family income in Toronto is $58,381. When compared to the median annual cost of licensed child care (see table), it’s clear that child care is unaffordable for many families.

Fees for infant care are the highest, ranging from $48 to $106 per day, due to the higher ratio of staff to children, equipment costs, and physical environment needs. Fees for kindergarten and middle childhood are lowest, as care is only provided for part of the day, when children are not in school.

Children’s Services assists with the cost of child care in a number of ways. One of the most significant ways we can help families afford child care is through the fee subsidy program. We also provide “base funding” directly to child care providers, which helps offset the cost to all families.

Despite both of these funding mechanisms, the system remains vastly underfunded. We continue to prioritize investments in child care that support access and affordability for families.

By the numbers:

<table>
<thead>
<tr>
<th>AGE GROUP</th>
<th>MEDIAN ANNUAL COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infant</td>
<td>$20,619</td>
</tr>
<tr>
<td>Toddler</td>
<td>$15,921</td>
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<tr>
<td>Middle</td>
<td>$5,664</td>
</tr>
<tr>
<td>Childhood</td>
<td></td>
</tr>
</tbody>
</table>

Children’s Services funds child care in three ways:

- Funding the family: Fee subsidy
- Funding the service provider: Base funding
- Funding the system: Planning, policy, capital, and transition funding
CHILD CARE FEE SUBSIDY

The fee subsidy program – which is managed and administered by Children’s Services – helps families in financial need. There are currently 25,116 subsides available in Toronto. This is an increase of 1,116 subsidies over the last five years. The fee subsidy program is fluid with children moving in and out on a regular basis. In 2014, approximately 34,963 children from 24,516 families benefitted from a fee subsidy. There are 16,802 children on the waitlist for a fee subsidy.

To be eligible for a child care fee subsidy, families must live in Toronto and parents/guardians must be employed, in school, or in a training program. However, there can be exemptions for families in special circumstances. Families can also appeal a decision about their eligibility. A provincially-mandated test is used to calculate the amount of child care fee subsidy a family qualifies for, based on their income and the number of children they have in care. Currently, 55 per cent of families with a fee subsidy are subsidized for the full cost of care. The other 45 per cent receive a partial fee subsidy and are responsible for paying the remainder of the cost. This is referred to as the “parent contribution” or “user fee”.

child care fee subsidy

Fee subsidies are allocated on a first-come, first-served basis. However, since there are a limited number available, the following methods are used to distribute subsidies:

- **Ward of residence:** Each City ward is assigned a percentage of the available fee subsidies based on the proportion of Toronto’s low-income children that live in the ward. The purpose of this **ward equity target** is to provide eligible families with equitable access to a subsidy regardless of where they live.

- **Age of child:** Within each ward, fee subsidies are further distributed by age. These **age targets** are meant to create pathways for children to move through the system, based on how long a child spends in each age group. They also take into account factors such as the cost of care for each age group and other options available (i.e. authorized middle childhood programs).

Once allocated a subsidy, a family can use it at any program that has a fee subsidy service contract with Children’s Services. We have contracts with 661 child care centres (almost 70 per cent of licensed centres) and 10 home child care agencies (53 per cent of agencies).

**PLANNING CONSIDERATIONS**

Due to complex factors, it has been challenging to keep each ward within its assigned equity target for fee subsidies. When wards are using more than their allocated ward equity target, this infringes on the number of subsidies available to families in other wards. For this reason, Children’s Services strives to bring each ward to within 10 per cent of its equity target. One of the most important factors is the availability of child care spaces within the ward, where families can use their subsidy. Children’s Services recognizes the need for new strategies to meet ward equity targets, including increasing service contracts and investing in capital development. At the same time as examining strategies to improve equity at a ward level, Children’s Services needs to explore similar mechanisms to improve equitable access to fee subsidies at a neighbourhood level.

*See actions 1, 2, 6 (pg. 56)*

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**By the numbers:**

**CHILD CARE FEE SUBSIDY**

- 39% of children in child care received a fee subsidy in 2014
- There are enough subsidies for 7% of the child population
- 23% of families with a subsidy are Ontario Works recipients
- 65% of subsidies are used by lone-parent families
- The median annual income of a lone-parent family with a subsidy is $17,561 and a two-parent family is $32,596
Fee subsidies used in each ward compared to its ward equity target

- more than 30% over
- 11% to 30%
- within 10%
- 11% to 30% under
- more than 30% under
Fee subsidies used in each neighbourhood, compared to its equity target (using the ward equity formula applied to neighbourhoods*)
While fee subsidies are targeted to individual families, base funding is provided directly to licensed child care providers to help offset the cost of operating programs and reduce the cost to families. The child care funding model defines how Children’s Services allocates and administers this funding to child care providers.

Historically, the criteria for distributing funding has been cumbersome, complex, and ultimately inequitable to child care providers. With the introduction of a new and more flexible Provincial funding framework in 2012, Children’s Services has been given an opportunity to develop a new child care funding model for Toronto. In consultation with the child care community, we set out to develop a new model that reflects the local context, stabilizes the child care system, begins to rebalance equity, and supports access and affordability for families. The intent is to establish a more equitable, consistent, and accountable formula for distributing funding, without reducing current funding for any service providers, assuming their program offerings remain unchanged.

To find out more about the new funding model, including the full report on stakeholder engagement towards its development, visit: toronto.ca/children/fundingmodel.

PLANNING CONSIDERATIONS

The funding model provides a framework for addressing the historical inequities in the system with respect to funding in such areas as salaries, training, and geographic location, setting the stage for focused growth in the public and not for profit sector.

Some child care providers are concerned about the impacts that the new funding model will have on their operations. Service providers have faced unprecedented changes to the system over the last five years, and are still adapting to new expectations and responsibilities. Children’s Services recognizes the need to implement the new funding model in a way that provides child care providers with time and resources to transition to the new model without impacting service levels.

The goal of the new funding model is to continue to ensure access to care for our most vulnerable families, while supporting providers and addressing, to the extent possible, affordability for families. It should be noted that the majority of child care costs go towards staff wages. However, the child care workforce continues to be underpaid. Through the new funding model, Children’s Services will recognize the need for strategies and methods that offset the cost of child care without lowering wages.

See actions 22 (pg. 59); 23 (pg. 59); 36 (pg. 60)
the child and family sector workforce

A skilled, knowledgeable, and stable workforce is critical to the quality of the child and family system, and therefore to the benefits that children and families experience as a result. The workforce includes Registered Early Childhood Educators (RECEs) and support staff in licensed child care, home visitors working for a licensed agency, family support professionals, and program supervisors and directors. We have consistently heard from service providers that job satisfaction is closely linked to being able to have a positive impact on children and families. Children’s Services can help to provide the right conditions for staff to focus on impactful programming by supporting fair compensation, good working conditions, and professional learning, and by streamlining administrative responsibilities.

Historically, compensation in the sector has been low. The establishment of the College of RECEs is helping to professionalize and raise the profile of the sector. However, low wages continue to detract from recruitment and retention. In licensed child care programs in Toronto, RECE wages range considerably, from $11.74 to $43.67 per hour. The differences can be attributed to a number of factors, including whether a program is public, non-profit, or commercial, as well as historic inequities in the distribution of wage subsidy grants.

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7 This range is reflective of the 2015 budgets for child care centres that have a fee subsidy agreement with Children’s Services
PLANNING CONSIDERATIONS

At the beginning of 2015, the provincial government announced a wage enhancement program for child care staff, which will be administered in Toronto by Children’s Services. Between the wage enhancement and the new child care funding model, there are compensation supports being implemented in the short and medium term. However, the recent transformation of the sector has also been challenging for the child care workforce in other ways. Many RECEs have left child care programs to work for the school boards, which offer higher wages. Meanwhile, for those who remain in child care, there are more part-time and split-shift work arrangements than before. Now that FDK is in every school, we need to address these changes by exploring staffing models and other strategies that create stable, full-time, and desirable opportunities for RECEs.

In recent years, service providers have had to adapt to new quality, financial, administrative, and governance criteria, as well as pedagogical developments through ELECT and How Does Learning Happen? Additional accountability requirements will be included in the Province’s new wage enhancement program. Children’s Services will review all the requirements that service providers are striving to meet and streamline them where possible, so that staff can find a better balance between administration and program needs.

A key part of this work will involve continuing to partner with service providers and post-secondary institutions to ensure that professional learning supports pedagogical expectations. Policy should ensure that there are resources to support attendance at professional development opportunities and that these opportunities accommodate staff schedules and responsibilities.\textsuperscript{xxxvi}

See actions 8 (pg. 56); 20 (pg. 58); 23 (pg. 59); 36 (pg. 60)
Many children require extra support to meet their individual needs, including: mental health and behavioural services; developmental services; speech and language services; and more. Every Child Belongs (ECB) is Toronto’s model for providing special needs support to child care programs to ensure that all children have the same access to child care.

ECB is a decentralized model, delivered by 18 agencies – including Children’s Services – which is focused on supporting child care staff so that they have the capacity to successfully include all children in their programs. ECB services include visits from Special Needs Resource Educators (SNRs) who work with individual children and provide training and program consultation to child care staff. This service is available to all licensed child care programs in Toronto, including: home child care; French-language and Aboriginal child care; and Aboriginal Head Start programs.

An external review of ECB was completed in 2012. While the model was found to be effective, recommendations for improvement included: the development of a centralized data base; a review of SNR caseloads to enhance access; and consolidating the number of agencies delivering services to increase the effectiveness and consistency of services.

PLANNING CONSIDERATIONS

The implementation of FDK has introduced new challenges for special needs services. While most children with special needs transitioned to FDK with their peers, some have limited or no access to kindergarten. The conversion of full-time preschool programs into kindergarten before- and after-school programs means that child care is no longer an option for those children who need care during the day. Children with special needs in particular require a seamless transition between child care and the school system. Overall, there is now a greater need to coordinate and plan services with schools and school boards to ensure access and consistency, and to maximize resources for special needs services.

While ECB is available in all licensed child care programs, the decentralized model does not facilitate consistent service delivery across all programs. Further, the growth of the child care system as a result of FDK has made it even more challenging for SNRs to maintain consistent service levels. More data is needed to properly evaluate and improve service levels in an equitable way so that all child care programs have the same capacity to include and support children with special needs.

By the numbers:

**EVERY CHILD BELONGS**

In 2014, ECB supported 3,551 children, including:

- 53 Infant
- 298 Toddler
- 1,456 Preschool
- 1,163 Kindergarten
- 581 Middle childhood

See actions 10 (pg. 57); 16 (pg. 58)
Family support programs deliver a range of responsive services for parents, caregivers and children (prenatal to age 12). They are guided by principles that focus on building supportive relationships, facilitating growth, respecting diversity and furthering community development.

Programs are flexible, accessible and offered in an informal atmosphere by professional and knowledgeable staff members who work in partnership with families and the community. Opportunities are provided for children, families and caregivers to enhance strengths, build capacity and promote healthy development. They also provide opportunities for parents and caregivers to meet and develop social networks.

The family support sector includes a range of programs and services – including specific programs provided by and for Aboriginal and French-language communities – delivered by many organizations and funded by all three orders of government, as well as foundations. Children’s Services specifically funds and manages 45 Family Resource Programs. In 2014, these 45 programs served 18,454 parents/caregivers and 19,403 children.
family support

PLANNING CONSIDERATIONS

The family support sector is characterized by multiple planning, funding, and governance structures. Stakeholders from the sector recognize the need to develop a cohesive and resilient child and family system that includes a unique role for family support programs. Through the Toronto Child and Family Network, Children’s Services has the opportunity to facilitate coordinated planning among the different family support programs, to ensure that families across Toronto have equitable access to consistent and meaningful programming, and to create opportunities for family support professionals to learn from each other.

See actions 19 (pg. 58); 28 (pg. 59); 29 (pg. 59)

FAMILY SUPPORT PROGRAMS INCLUDE...

- 45 Family Resource Programs (City-funded)
- 24 Ontario Early Years Centres, including Aboriginal and French-language centres, with 125 satellite locations
- 99 Parenting and Family Literacy Centres
- 4 Young Parent Resource Centres
- More than 10 agencies providing the Community Action Program for Children and Canada Prenatal Nutrition Program, including Aboriginal programs
- Healthy Babies Healthy Children, including Aboriginal HBHC
- Programs delivered by Toronto Public Health, Toronto Parks Forestry and Recreation, and the Toronto Public Library
In order to assess, improve, and promote the level of quality in child care settings, Children's Services developed the Early Learning and Care Quality Assessment, now referred to as the Assessment for Quality Improvement (AQI). The AQI outlines clear expectations, service standards, and guidelines for all child care providers who have a service contract with the City. It serves as a self-evaluation and planning tool for child care providers. Most importantly, it helps parents to make informed decisions. Parents should expect that licensed child care will deliver high-quality programs that allow children opportunities for play, socialization, and exploration, and which also include developmentally-appropriate pedagogy in a safe and nurturing environment.

Children's Services has been assessing quality in child care since 1990, and has been publishing ratings online since 2008. In March 2014, we introduced the implementation of an updated AQI for infant, toddler, and preschool care, developed in partnership with the Ontario Institute for Studies in Education (OISE/UT). The updated AQI incorporates current best practices with new expectations. It is currently the only validated Canadian tool for measuring quality in infant, toddler, and preschool programs.

The AQI evaluates educator/child interactions, learning environments, health & safety, and nutritional components of a child care program.

It also incorporates indicators that support diverse cultural practices. Quality assessments are conducted annually by Children's Services Quality Assurance Analysts (QAAs). The QAAs are experienced RECEs who receive ongoing training and testing to ensure consistency in administering the AQI. Ongoing support is provided by Children's Services Consultants who work with child care service providers to ensure continuous quality improvement. Once assessed, child care operators can display a quality decal on their premises. Families can look for the decal and review assessment ratings online for each licensed centre with a service contract at toronto.ca/families/centres.

Since we began publishing quality ratings in 2008, there has been a marked improvement in scores. Before the ratings were published, approximately 67 per cent of centres met minimum requirements. This increased to over 90 per cent when the ratings were posted on the website. By 2014, 98.7 per cent of centres met minimum requirements.

When compared against demographic and neighbourhood data, AQI is a critical tool in determining whether all children across the city have the same access to high-quality child care. This can identify areas of service excellence; identify areas that need improvement; determine training needs for the child care community; support future planning and allocation of resources; and assist the City in determining the impact of early learning policy changes.
PLANNING CONSIDERATIONS

Improvement in overall quality is seen across all three sectors – public, non-profit, and commercial. However, when you isolate the scores related to educator/child interactions, non-profit and public child care programs perform better. Educators who are responsive, engaged, and who stimulate children’s curiosity are essential to high-quality child care. Children’s Services is looking more closely at how we can better reflect the higher importance of educator/child interactions in assessments.

Children’s Services is continuing to expand the use of the AQI as a professional development tool to support early learning educators, including all funded programs and Full Day Kindergarten Learning teams. We continue to promote the AQI as a standard for quality assessment across the province, and support other municipalities and service providers (without a contract with the City) wishing to adopt the measure.

In addition to the AQI, Children’s Services has four other quality assurance measurement tools: Home Child Care Operating Criteria; Family Support Criteria; Operating Criteria for Special Needs Resourcing Agencies; and School-age Operating Criteria. There is a need to continue to review and update other existing quality assurance measures to ensure ongoing quality improvement in these other program areas.

See actions 8 (pg. 56); 33 (pg. 60)