

Sustaining the future: What is at stake for families and children in Ontario

A report on the
federally derived \$63.5 million child care funding
and its impact on Ontario's communities

November 2009

Ontario Municipal Social Services Association



About OMSSA

The Ontario Municipal Social Services Association (OMSSA), represents Ontario's Consolidated Municipal Service Managers and District Social Services Administration Boards (CMSMs and DSSABs), supporting the effective provision of human services across the province. Our mandate is to make positive, progressive change in the areas of early learning and child care, social housing, homelessness prevention, income security, and employment support services.

Human services integration. OMSSA is committed to the principles of human services integration, which we define as a system of services that is coordinated, seamless, and tailored to the needs of people so they can maximize their potential, enhance their quality of life, and contribute to their community.

Investing in people makes sense. OMSSA believes that investing in people will help to create healthy and prosperous communities. People can succeed only when they have access to adequate shelter, education, income, safety, recreation and leisure, and cultural expression. The stronger our social infrastructure—the system of social services, networks, and facilities that support people and healthy communities—the greater the opportunity for all Canadians to contribute socially and economically. Investing in people means enabling individuals to contribute to their full potential. Investing in people means working towards a society that thrives economically, socially, culturally, and politically.

Poverty reduction. At a time of economic uncertainty in Canada and across the globe, a comprehensive strategy to reduce poverty among all Canadians will build a foundation of economic certainty, confidence, and sustainability into the future. Reducing poverty strengthens individuals and families, helps our schools and businesses, and gives more people the opportunity to make meaningful contributions to our society. Poverty reduction must emerge from the investments in affordable housing, improvements in economic security, and expansion of early learning and child care opportunities. Through these efforts, poverty reduction will improve the quality of life for all Canadians, thus strengthening Canada's overall prosperity.

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Executive Summary

Since 2006, \$63.5 million in federally derived funding has flowed annually to Ontario's municipalities through the provincial Best Start program. The final distribution will occur in the 2009-10 fiscal year, meaning that this money will no longer flow to local service system managers after April 1, 2010.

The end of this funding stream has been known for several years, but knowing that the funding would end is quite different from knowing what the impact of that ending would be. While the province did the right thing by continuing to support the Best Start investments and even providing additional infusions of funding, it nevertheless complicated the matter. As well, a new Early Learning Program will introduce new service responsibilities and funding streams for service managers. In short, at a time when municipalities want to move forward on new opportunities for their early learning and child care system, they are faced with a significant challenge in another part of the system.

As the professional association for Ontario's early learning and child care service system managers, the Ontario Municipal Social Services Association (OMSSA) has sought to provide a factual analysis of the impact of the \$63.5 million allocation. Based on a series of surveys of OMSSA members, this report explains what is at stake. Up to now, this funding has supported children and their families across Ontario in the following ways:

- More than 7,600 children have received child care fee subsidies annually
- More than 5,200 people who work in the early learning and child care sector have received wage subsidies annually
- Almost 1,300 children have received special needs resourcing support, provided by 100 staff annually
- Almost \$5 million is spent annually for special needs resourcing, school readiness programs, and other important community initiatives

When this money stops flowing, at least half of all communities expect to experience increases in waitlists for service.

This \$63.5 million created partnerships within communities. This money created partnerships among municipalities, the province, and the federal government. We hope that this report will assist decision makers at the federal, provincial, and municipal levels to move forward on building new partnerships to strengthen Ontario's early learning and child care sector.

Background

The Best Start Initiative has represented the most positive provincial vision for early learning and child care services to date. The Best Start Initiative emerged in 2004, and blossomed with the signing of the Canada-Ontario Bilateral Agreement on Early Learning and Child Care. This historic agreement in November 2005 saw the federal government agreeing to transfer \$1.9 billion over 5 years to support Ontario's children and their families. The provincial government used the money to expand Best Start as an initiative to support young children and their families and to help more children arrive in Grade 1 ready to learn.

Best Start was conceived as an “ambitious,” long-term strategy that would take at least ten years to fully implement. Its key components included expansion of licensed child care, new incomes tests to determine eligibility for child care subsidies, and increased special needs resourcing. This comprehensive program would be integral to “supporting crucial relationships between and among children, their families, caregivers and the community while at the same time helping children receive specialized services and supports as needed.” ¹ (All Notes at end of document)

When the federal government terminated the Bilateral Agreement in early 2006, it provided a final, one-time payment of \$254 million to Ontario, which in turn amortized the funds into equal allocations of \$63.5 million spread over 4 years. The final \$63.5 million distribution will occur in the 2009-10 fiscal year, meaning that this money will no longer flow to local service system managers after April 1, 2010.

The end of this funding stream after April 1, 2010, has been known for several years. In fact, the provincial government declared in its 2005-06 annual report that “without this sustained federal support, the province cannot enhance and expand the child care system as originally planned.”²

Knowing that the funding would end is quite different, however, from knowing what the impact of that ending would be. While the province did the right thing by continuing to support the Best Start investments and even providing additional infusions of funding, it nevertheless complicated the matter. Some of these provincial infusions were one-time enhancements, others were annualized allocations, but the result was that the money disbursed to local early learning and child care service represented an amalgam of multiple funding streams all wrapped in a Best Start package.

Ontario's service system managers for early learning and child care services, the 47 Consolidated Municipal Service Managers (CMSMs) and District Social Service Administration Boards (DSSABs), have a clear stake in the future of Best Start. They have invested these millions of federal and provincial dollars, along with additional millions of municipal dollars, into their local early learning and child care systems. They have overseen the expansion of new child care spaces, they have helped thousands of families obtain child care subsidies, they have provided wage improvements to countless child care workers, all in the name of Best Start. Through their work, they have nurtured a community understanding of the benefits endowed by this provincial initiative. Yet to many within the service system manager environment and in the broader early learning and child care community, April 1, 2010, raises concern about how the province will meet its responsibilities and its vision.

Adding to the confusion and concern is the implementation of a new Early Learning Program announced in October 2009. This new program will introduce new service responsibilities and possibly even new funding streams for service managers. Thus, at a time when municipalities want to move forward on new opportunities for their early learning and child care system, they are faced with a significant challenge in another part of the system.

As the professional association for Ontario's early learning and child care service system managers, the Ontario Municipal Social Services Association (OMSSA) has sought to provide a factual analysis of the impact of the end of the \$63.5 million allocation. We recognize that the April 1, 2010, date represents the termination of only one part of Best Start, that of the federally derived funding left over from 2006. Because of the many unanswered questions about the broad early learning and child care environment, we believe it is important to provide information that is rooted in concrete facts as much as possible.

To provide this concrete information, OMSSA has, over the past few months, surveyed our members about their local Best Start environment. Our goal has been to obtain the best local information possible to provide a provincial overview of the situation. We hope that these factual descriptions will assist decision makers at the federal, provincial, and municipal levels move forward on strengthening Ontario's early learning and child care sector.

The information we are providing is derived from a series of three surveys, two conducted in March 2009 and one in September 2009. The first two were qualitative in nature and focused on the place of Best Start within the local early learning and child care context. The third survey focused on the numbers—the quantifiable impacts of the \$63.5 million in federally derived funding that is disappearing after March 31, 2010.³

Key themes

Three major themes emerged from the responses provided by OMSSA's members:

1. **The positive community benefits of Best Start**
2. **The challenges of decreasing services**
3. **The community impacts of losing \$63.5 million**

It is our intent in this report to synthesize the responses of our CMSM and DSSAB members, not to promote panic or fear but to communicate honestly and frankly what our members perceive to be the important issues.

Theme I: The positive community benefits of Best Start

Best Start has been a community success. Whether measured in terms of direct financial benefits to families or staff or in terms of broader community engagements, the \$63.5 million has helped to create a positive and enriching environment for early learning and child care in Ontario.

This program has proven that, with the right investments, we can accomplish great things for young children and our families. These dollars helped to create new spaces, provide assistance to operators to increase wages to staff, and were a relief to agencies that received planning dollars. (Rural CMSM, western Ontario)

Best Start funding has been used to address some of the funding and service level pressures in all aspects of the child care system (including Fee Subsidy, Special Needs Resourcing, and Administration. (Mixed urban-rural CMSM, eastern Ontario)

These funds have helped to create 351 licensed child care spaces in our area, from infants to school-age. Many new licensed programs have been established in local schools with great success for both school boards and families. Many of the new programs were established in areas that accommodated rural needs, francophone needs, and high-risk areas. The creation of the new spaces has also been instrumental in providing more children with special needs an opportunity to participate in licensed child care. (Rural CMSM, eastern Ontario)

In particular, there have been three areas of benefit—child care fee subsidies, wage subsidies, and other community supports.

Benefit 1: Child care fee subsidies

More than 7,600 children have received child care fee subsidies through the \$63.5 million allocation.

Table 1: Children supported by child care fee subsidies, by region⁴

Region	# of CMSM/DSSABs reporting	# children supported by child care fee subsidies (reported)	Extrapolated to all CMSMs/DSSABs	# children supported by child care fee subsidies (estimated for all service managers)
East	11 of 13	920		1060
GTA	5 of 5	2580		2580
West	17 of 17	2475		2475
North	11 of 12	1425		1490
Total	44 of 47	7400	7605	

Why do these fee subsidies make a difference? At the most basic level, providing children with opportunities to participate in quality early learning and child care programs means providing them with a head start on school readiness and future success in life. The educational and developmental benefits of quality early learning programs have been well documented.

But the availability of fee subsidies is not only a matter of allowing children to participate in quality child care. It is, for many families, the difference between economic survival and poverty.

The vast majority of child care fee subsidies go to poor and lower-middle-income families for whom the child care subsidy is a crucial component of the household budget. Particularly for those parents looking for work or engaging in skills training programs, access to reduced child care costs has meant the difference between taking steps toward financial independence or falling further behind.

At the same time, some service managers have also used the operating funds to specifically target the most vulnerable families in their community.

[Our municipality] used part our Best Start Operating dollars to support staff and programming for marginalized children of families with low incomes and on

OW and ODSP. Intensive case management and resource provision were the primary roles, with the goal of connecting these families to community resources including licensed care and improving the child's chance as they entered the school system. School readiness programming and a focus on LEAP participants were also facets (Rural CMSM, eastern Ontario).

In simple terms, then, such supports speak directly to the government's Poverty Reduction Strategy. The federally derived \$63.5 million has directly ensured that Ontario's working poor and lower-middle-income families do not fall into poverty.

Benefit 2: Wage subsidies

More than 5200 people who work in the early learning and child care sector have benefited from wage subsidies provided through the \$63.5 million.

Table 2: Number of early learning and child care staff supported by wage subsidies⁵

Region	# of CMSM/DSSABs reporting	# early learning and child care staff supported by wage subsidies (reported)		# early learning and child care staff supported by wage subsidies (estimated for all service managers)
East	11 of 13	86	Extrapolated to all CMSMs/DSSABs	94
GTA	5 of 5	2036		2036
West	17 of 17	2097		2097
North	11 of 12	138		146
Total	44 of 47	5260		5275

The importance of improving wages for the early learning and child care sector was articulated in 2007 by the province's own Best Start Expert Panel on Quality and Human Resources, which admitted that "low wages are having a serious effect on the quality and stability of the early learning and care workforce."⁶

Continuity of care is almost impossible in an environment where staff constantly rotate out of the sector in search of better wages elsewhere. As OMSSA noted in our paper, *Hand in Hand: How the province and municipalities can build the best early learning and child care service system for Ontario* (March 2009), sustainable investments in early learning and child care workers help more staff to stay within the sector. Higher staff retention leads to lower replacement and retraining costs for service deliverers.

Higher wages also serve to attract new workers. In one municipality,

The expansion has also increased the awareness of the Early Childhood Education field. Our community college has enjoyed an increase in student enrolment and child care operators are reporting success in recruiting and retaining Early Childhood Educators, particularly thanks to the increased wage improvement funding. (Rural CMSM, eastern Ontario)

There are many economic merits of supporting the people who deliver early learning and child care services. The wage improvements and enhancements made available through the \$63.5 million have often meant the difference between financial viability and difficulty for operators of child care centres. Conversely, the disappearance of staff wage subsidies will impact centre budgets, possibly forcing them to raise fees to families who already will have lost their subsidies:

Child care operators need to continue to receive the wage subsidy and wage improvement funds to continue providing their current levels of service. Without these financial supports, operators would have to increase their daily operating fees. This might make the cost of their care unaffordable to the families who currently can afford to pay for it. (Mixed urban-rural CMSM, GTA)

The economic benefits of fee subsidies and wage improvements cascade outward to the entire community. One study by the Regional Municipality of Niagara found that the local early learning and child care system generates up to \$115 million in economic activity each year and directly employs more than 1,000 early childhood educators plus non-teaching and other support workers.⁷ Translate that local figure into provincial-wide totals and the impacts are extensive. With access to wage subsidies for their workers, more child care centre operators can stay in business, meaning that they can purchase other goods and services in the community, thus sustaining other small and large businesses locally. As well, rising staff wages bring with them higher provincial income tax contributions and greater levels of local spending.⁸

Benefit 3: Other community supports

Almost \$5 million has supported special needs resourcing, school readiness programs, and other important community initiatives.

The federally derived \$63.5 million has allowed families to access services, participate in programs, and connect to their community in ways that would not have been possible without that money.

Special needs resourcing. Of particular note are the supports for families with children who have special needs.

Table 3: Supports for special needs resourcing⁹

Region	# of CMSM/DSSABs	# of children supported by special needs resourcing (reported)	# of staff supported by special needs resourcing (reported)	Extrapolated to all CMSMs/DSSABs	# of children supported by special needs resourcing (estimated all service managers)	# of staff supported by special needs resourcing (estimated all service managers)
East	11 of 13	340	15		370	18
GTA	5 of 5	405	35		405	35
West	17 of 17	265	20		265	20
North	11 of 12	285	25		305	27
Total	44 of 47	1295	95		1345	100

As noted in Table 3, almost 1300 children have received direct supports (with about 100 staff being supported as well) from this money. Beyond supporting individual children, communities have found many creative ways to enhance services for children with special needs. These include:

- Supporting community programs with program assistants who work daily to integrate children with special needs in the community child care programs
- Relieving budgetary pressures of special needs programs to ensure that parents do not bear the higher costs of care
- Enhanced care for hard-to-place, medically fragile, children
- Supporting an inclusive child care program that provides resources to child care programs to assist with inclusionary programming and planning

Service managers repeatedly noted the positive impact of being able to provide integrated services for families with children who have special needs. Many made reference to using their allocations to develop types of community hubs, whether through existing Ontario Early Years Centres or through other programs, as points of access for integrated services. Some of the innovative activities included Early Years dinner programs for parent

support in Best Start hubs, special programming for fathers, and support services for mothers experiences post-partum depression.

School readiness programs. If we remember that Best Start originated as an initiative to support school readiness, then we should not be surprised at the list of community programs that speak to this issue:

- School's Cool programs
- Early literacy programs
- Reading program in partnership with neo-natal clinic
- Enriched math and music programs

Other community supports. Finally, this money has allowed communities to find other creative ways to support and enhance early learning and child care opportunities for families and children, including:

- Enhancing mental health services to children in child care
- Providing on-site Francophone child care in all French Language schools in the community
- Creating culturally specific kits to support Aboriginal and Francophone programming across the community
- Developing a web-based, multi-agency program calendar for families
- Writing a Community Snapshot report, which will be "the first ever comprehensive report on children in our region"
- Providing transportation for families to access early learning and parenting programs

Theme 2: The challenges of decreasing services

Although the termination of the \$63.5 million in federally derived funding will not occur until the end of March, 2010, CMSMs and DSSABs recognize that they must begin well in advance to ramp down those local activities being supported by this money. They certainly appreciate the provincial contribution of \$18 million bridge funding to extend services through the end of the school year. Such money will allow families to have a continuity of care for the entire 2009-10 year, rather than have to find new arrangements mid-year.

Still, this additional bridge funding is only a temporary bridge. By the end of the summer 2010, the \$63.5 million and the additional \$18 million will no longer flow. Without gradual “exit strategy” plans, they will be forced to simply “shut off” a system running at 100 percent—a solution that would instantly leave thousands of families without child care and child care centres without wage subsidies.

The most visible ramp down activity is the restricting of new fee subsidies for child care. Municipalities cannot be in a position of providing a fee subsidy to a family that they know will not be sustainable after March 31 (or the summer, depending on how the bridge funding is used). Therefore, they are beginning to restrict the distribution of subsidies by adding families to waitlists.

Beyond the fee subsidy issue, CMSMs and DSSABs also face the question of how to support and sustain an early learning and child care landscape that the federally derived \$63.5 million has expanded and supported.

Communities are at different stages in this planning process, but all are aware of the impact on the local early learning and child care landscape. Many CMSMs and DSSABs are still developing their strategies, but the following four examples are representative of the actions that service system managers are undertaking:

I. Urban CMSM, western Ontario:

September 2009: Began to phase out the 570 subsidized child care space through attrition to be in a position to manage without the funding as of April 2010.

September 2009: Began to freeze new Special Needs Resourcing intakes to transition to lower service levels.

April 2010: We are planning no Professional Development opportunities beyond March 2010.

2. Rural CMSM, eastern Ontario

July 1, 2009:

- Began a child care fee subsidy waitlist
- Began a special needs waitlist
- Strategized with child care service providers to understand the full impact of funding loss and alternatives to address outcome

April 1, 2010:

- Will reduce all wage subsidy funding from 100 percent 30 percent, which was the funding level prior to Best Start
- Will lay off of 3 full-time staff

3. Rural CMSM, western Ontario

June-July 2009: Began to inform all operators that the program will wind down by March 31, 2010.

September 1, 2009: Began to freeze all programs to start to "shed" the spaces.

4. Rural DSSAB, northern Ontario

July-December 2009:

- Began to pull back all project funding (School's Cool, transportation, training, sustainability, etc)
- Advised service providers of the elimination of funding so that they can eliminate special needs positions, advise staff of lay offs, and so forth.

September 2009: Implemented a fee-subsidy wait list

April 2010: Will draw on portion of the unconditional grant in reserve to assist with "ramping down"

Note that some communities are hoping to delay their ramp-down activities by creatively using their current funding.

Our strategy involves retaining a portion of the Unconditional Grant to manage reductions to fee subsidy and special needs resourcing through attrition as a way of easing "down" the impact on operators and families after 2010. We would, however, need to end wage subsidy and wage improvement immediately. (Mixed urban-rural CMSM, GTA)

While such extended ramp-down will help some families over the short term, it is a short-term solution only; at some point those reserve funds too will dry up.

Theme 3: The community impacts of losing \$63.5 million

*The withdrawal of this funding will create a crisis in our child care system.
(Rural CMSM, eastern Ontario)*

Service system managers report that the timing of this issue could not have been worse. Given the current economic climate, any change that has negative financial implications for families or child care providers will only exacerbate hardships.

In our area, the need for child care is increasing as parents who lost jobs are returning to school or finding jobs that pay less. Parents are qualifying for more fee subsidy not less. (Rural CMSM, western Ontario)

We are currently experiencing a tremendous pressure on our Ontario Works child care caseload, with the increasing number of families requiring Ontario Works assistance. It is unlikely that we could accommodate the Best Start funded families as well as deal with the increased OW pressures. In short, families will end up without care. (Mixed urban-rural CMSM, GTA)

Many CMSMs and DSSABs feel that the combined loss of fee subsidies and wage subsidies puts whole centres at risk:

It is hard to quantify numbers but there are some child care centres who have over half of their spaces filled with subsidized families. If the subsidy is gone for some of those families and if the centres cannot fill the spaces with full-fee-paying parents, the child care centre may not be able to make it. (Rural CMSM, western Ontario)

Perhaps most revealing, one OMSSA member viewed the funding issue through the lens of the province's own Poverty Reduction Strategy.

The provincial commitment to implementing a poverty strategy has to ensure that affordable child care is available to support people working. It doesn't make sense [to have these funding challenges] after the Best Start Initiative has been so successful in creating and sustaining child care placements. (Urban CMSM, GTA)

The impact on waitlists

The combination of money for fee subsidies made available through the federally derived \$63.5 million, and the 2008 provincial introduction of the income test have helped to reduce the length of waitlists for fee subsidies in many communities. The disappearance of this money, however, will reverse this trend. In fact, almost half of all CMSMs and DSSABs reported that the loss of the \$63.5 million will impact their waitlists.

There is presently a fee subsidy wait list in place and we anticipate that there will be limited movement due to the lost revenue. We have two categories of applicants who are currently exempt from the wait list, but we might need to alter this policy within the new funding envelope available. (Mixed urban-rural CMSM, eastern Ontario).

Our fee subsidy waiting list is currently in excess of 1200 children, who wait approximately 18 months for a placement. On average, 30 new children are added to the waiting list each week. This reduction in fee subsidy will result in an increased waiting list and increased waiting time for placement (Mixed urban-rural CMSM, GTA).

Fee subsidy applicants currently have a waiting period of 6-to-12 weeks. This loss of funding will extend that wait time to 18-to-24 weeks. (Urban CMSM, western Ontario).

Implementing a waitlist might limit children with special needs and at risk families from accessing services required supports and services (Rural CMSM, western Ontario).

We will begin to implement a waitlist in Winter/Spring 2010, with working families earning less than \$20,000 becoming a high priority (Rural CMSM, western Ontario).

The impact on quality

In our *Hand in hand* paper, OMSSA noted that:

quality directly results from proper and effective investments in the children's services system. More to the point, children benefit most when the outcome-based services they receive are supported by proper funding levels and are oriented to their local needs.¹⁰

This position built on those of the province's own Best Start Expert Panel on Quality and Human Resources, which argued that "sustained funding" was a critical building block for a province-wide system of quality early learning and care services.

Thirteen different CMSMs and DSSABs specifically mentioned quality assurance programs that will be affected by the loss of the \$63.5 million. Whether it be formal programs such as "Raising the Bar," or broader professional development training activities, it is clear that service system managers have used these funds to invest in the quality of their local early learning and child care systems.

The Raising the Bar Quality Assurance Program has been a huge support to our community and the loss of this support will be felt across our CMSM. The training opportunities have been kept at no-to-low cost for staff, which has made it accessible to all programs. Staff have felt a part of a big

network, have gained support, and this has a direct impact on quality (Rural CMSM, eastern Ontario).

We have supported a Quality Assurance Committee for planning workshops for child care facilities. It will be questionable if we can proceed with this type of valuable planning (Rural CMSM, western Ontario).

Part of our administration dollars were allocated to support a community professional development budget for early learning professionals. These PD events were offered at no cost to the child care operator or the early learning professionals who attended. Over the course of a year, more than 2,000 ECEs attend these events. The reduction of funding in this area will result in fewer PD opportunities being made available. Or, we might have to charge a fee (Urban CMSM, western Ontario).

The impact on local confidence

Finally, CMSMs and DSSABs have worked hard to create community momentum and collaboration for an early learning and child care program to the benefit of children and families in their communities. The provincial and federal support of service managers created a sense of goodwill and credibility within communities, which grew confident of the service manager's ability to build and lead a collaborative planning process for early learning and child care. The loss of the \$63.5 million in federally derived funding will create a crisis in community confidence, and might make future collaborations more difficult even if newer, more secure funding becomes available.

We are a small rural CMSM, and have put in a great deal of work to create almost 250 new Best Start spaces in our community. The feeling of accomplishment was great and having the community and its partners come together to be part of this was equally great. But this may be lost. (Rural CMSM, eastern Ontario)

What agency would be interested in developing a new program, if the perception is in a few years, the funding will be cut? It's becoming a hard sell. (Rural DSSAB, northern Ontario)

We have encouraged the providers to increase the number of spaces within a very short period of time. They have worked really hard to expand spaces with the support of Best Start Networks and CMSMs, but should these spaces fail, it will be municipalities that will be blamed. (Rural CMSM, eastern Ontario)

It took almost 5 years to convince people to believe and participate. Now the possibility exists that all that has been developed and implemented will go to

the wayside and we will have to remove the excellent supports for the children and their families. (Rural DSSAB, northern Ontario)

Such a crisis in local confidence will come precisely at a time when other policy initiatives are pointing to municipally led community collaborations. Both the Provincial-Municipal Fiscal and Service Delivery Review's call for community human services planning and the Early Learning Advisor's vision of an integrated Birth-to-12 Child and Family System placed municipal service managers at the centre. Municipal service managers welcome these opportunities to lead their communities and hope to do so within an environment that reinforces community confidence, not challenges it.

Looking forward: Building partnerships

Given what CMSMs and DSSABs are reporting both about the positive community benefits bestowed by the \$63.5 million and the potential negative developments after April 2010, the question remains as to next steps for the federal, provincial, and municipal governments.

The recent policy initiatives emerging from the provincial government—the new Early Learning Program, the Poverty Reduction Strategy and the Provincial-Municipal Fiscal and Service Delivery Review being three examples—have signaled a provincial interest in working collaboratively with municipal service system managers for the benefit of Ontario’s families and children.

OMSSA believes that such a positive relationship can continue in regards to the future of child care. In a time of economic upheaval, investments in the people of Ontario—and the children in particular—can directly contribute to a re-emergence of a prosperous province. We believe, therefore, that there are solutions to be found regarding the funding of child care that can ensure that the foundations for educational success and economic vitality continue.

But just as there are short-term solutions that might emerge from the provincial-municipal relationship, OMSSA further recognizes that a longer term solution requires the cooperation of our federal partners. After all, Best Start was built on an agreement between the federal and provincial governments. As further conversations between the governmental partners continue, OMSSA hopes that a new agreement will be put in place for the benefit of Ontario’s children.

Perhaps the clearest articulation of this hope comes from one OMSSA member who noted that her community stands to lose \$142,000 in special needs resourcing and might have to lay off 2 staff workers next April. Despite these challenges, this representative of a rural CMSM in western Ontario argued that:

The financial commitment in our young children must be a partnership between the federal and provincial governments to ensure that Canada's standing in the Early Learning and Child Care field is respected and that all levels of governments ensure a strong foundation for our children and families to access. It is truly the building block for education.

What this exercise has proven is that for any business to grow and prosper, key financial investments must be made to ensure that appropriate growth and

development of the program happens. I truly hope that the Province of Ontario can find the means to continue to fund this program and, through their discussions with the federal government, secure federal funding as well. The partnerships are key!

OMSSA looks forward to working with the province and the federal governments to strengthen these partnerships on behalf of the children, families, and the entire population of Ontario.

Notes to text

- 1 Ministry of Children and Youth Services (MCYS), *Ontario's Investments in Early Childhood Development and Early Learning and Child Care, 2005/2006 Annual Report* (Toronto: 2006): 3.
- 2 MCYS, *2005/06 Annual report*, 5.
- 3 Readers should note that the results of the third survey are presented here as extrapolations of the reported data. A total of 44 of the 47 CMSMs and DSSABs provided information on their share of the \$63.5 million funding reductions. (The County of Middlesex did not participate in Best Start and did not respond to the survey.) The total amount reported represented \$59.3 million, or 93.3 percent of the total amount. In the two geographical areas where information was missing (East and North), we calculated the median totals for each item and added it to the reported total. The result is a reliable estimate of the human impact of this funding. We are confident in this method for three reasons. First, the 3 missing service managers were smaller, rural CMSMs whose totals would be unlikely to skew the final data in any abnormal way. Second, there was consistency in the numbers reported by the 44 CMSMs and DSSABs, suggesting that the missing three would likely follow the same pattern. Third, service managers did an excellent job quantifying how they spent the funding allocations, accounting for 99.6 percent of the total funding they reported on. As well, because of confidentiality reasons, no individual CMSM or DSSAB is identified.
- 4 Service managers were asked to report on their funding reductions and to answer the question, "What has this amount supported in terms of number of children receiving child care subsidies?"
- 5 Service managers were asked to report on their funding reductions and to answer the question, "What has this amount supported in terms of number of staff supported by wage subsidies?"
- 6 Expert Panel on Quality and Human Resources. *Investing in quality: Policies, practitioners, programs, and parents. A four-point plan to deliver high-quality early learning and care services in Ontario*. 2007.
- 7 Niagara Region Children's Services, *The economic impact of the child care industry in the Niagara Region* (2009).
- 8 OMSSA, *Hand in hand: How the province and municipalities can create the best early learning and child care service system for Ontario* (Mississauga, Ont.: 2009), 22.
- 9 Service managers were asked to report on their funding reductions and to answer the question, "What has this amount supported in terms of number of children and staff supported by special needs resourcing?"
- 10 OMSSA, *Hand in hand*, 12.