



REPORT TO: Co-Chairs and Members of
Public Health and Social Services Committee

SUBJECT: 2008 New Provincial Child Care Funding

RECOMMENDATION

That this Committee recommend to Regional Council that this report be received for information.

EXECUTIVE SUMMARY

- On July 9, 2008 the Ministry of Children and Youth Services (MCYS) announced an additional \$25 million investment in Ontario's system of early learning and care
- For Niagara, \$578,200 of new funding is being provided to support fee subsidies in 2008/09. An additional \$195,500 is being provided to support operating costs associated with 26 new French-Language Best Start spaces available September 2008 in Niagara Falls
- Funding is provided at 100% provincial dollars and will be annualized.

FINANCIAL IMPLICATIONS

- \$773,700 new 100% provincial funding as of April 2009 all of which will be on-going
- A pro-rated amount of \$733,300 will be allocated in 2008/09
- The Regional gross budget will increase but will have no impact on the net levy as all new funding is 100% subsidized by the province.

PURPOSE

This report has been prepared to provide information to Committee and Council of the recently announced MCYS child care funding in support of Ontario's system of early learning and care and Niagara's allocation.

The new funding is an investment in children that contributes to Council's Business Plan Objective of "Community and Social Well-Being" and Children's Services' mission "To ensure access to a coordinated, diverse range of affordable, quality services and supports for young children and families residing in Niagara".

BACKGROUND

Best Start is a provincial initiative which is a “ten year strategy for children under six years of age, encompassing the integration of programs and services across ministries. Improved outcomes for children and families are expected to result from a vision of greater access to high quality early learning and care programs that support parents in addition to helping make their child’s transition to school smooth, seamless and successful.”¹ Child care is an important cornerstone of the Best Start strategy.

Niagara Region has benefited from 100% Provincial Best Start funding in the past three years. Children’s Services will have received over \$6 million new funding by April 2009 which is going towards wage improvements of early childhood educators, support of the 553 new child care spaces created under Best Start and fee subsidies for families in need of financial support.

REPORT

The Province has continued to enhance funding for current child care programs by \$25 million in 2007-08, and by an additional \$25 million in 2008-09, for a total increase of \$50 million annually. Of the investment announced this year, \$23 million is to be invested in fee subsidies for licensed child care as a means to make it easier for families to access affordable quality child care. The remaining \$2 million is to support new French-Language child care spaces in schools identified through a joint MCYS and Ministry of Education initiative launched earlier this year.

Funding to Strengthen the Child Care System

Correspondence was received from MCYS on July 30, 2008 (PHSS 39-2008) informing the Regional Chair that \$578,200 of new funding is being provided to support fee subsidies for licensed child care and an additional \$195,000 for 26 new French-Language child care spaces. As with prior Best Start funding, these funds have been provided at 100% provincial dollars.

The majority of the new funding is aimed at providing more fee subsidies for licensed child care and to position communities to respond to current wait lists for fee subsidy and the anticipated increased demand developing from Income Testing. The vision of Best Start is to ensure that every child gets the best start possible before entering the formal school system. Niagara is currently processing 143 applications for fee subsidy.

This funding is beginning to assist Children’s Services to reduce dependency on one-time sources of revenue largely coming out of Social Assistance and Employment Opportunities. Upon completion of the full analysis of provincial deliverables related to new funding, a report will be prepared for Committee and Council as to the impact on the

¹ Page 1 Report to Chair and Members of Public Health and Social Services Committee, Best Start Update, COM 22-2006, April 4, 2006.

Regional budget. By receiving these dollars, the Region's gross budget will increase but will have no impact on the net levy as the new funding is 100% subsidized by the province.

**Children's Services Best Start Funding
2006-2009**

Funding Announcements	New Spaces	Funding	2007	2008	2009
2006/07	285				
Wage Improvement		\$203,643	\$203,643	\$203,643	\$203,643
Sustainability		\$2,136,590	\$2,136,590	\$2,136,590	\$2,136,590
Planning		\$59,430	\$59,430	\$59,400	\$59,400
Total 2006/07 Annual – On-going Approval		\$2,399,663	\$2,399,663	\$2,399,633	\$2,399,633
2007/08	268				
Wage Improvement		\$624,300	\$468,225	\$705,568	\$732,657
Sustainability		\$2,009,100	\$1,506,825	\$2,804,610	\$2,804,610
Sub-total 2007/08 Annual – On-going		\$2,633,400	\$1,975,050	\$3,510,178	\$3,537,267
<i>One-Time (Apr.07-Mar.09)</i>		\$795,529	\$596,647		
2008/09*					
Fee Subsidy				\$433,650	\$578,200
French-Language child care spaces				\$65,029	\$195,000
Sub-total 2008/09 Annual – On-going		\$0	\$0	\$498,679	\$773,200
<i>One-Time (Sept.09-Dec.09) - French-Start-up</i>				\$41,300	
<i>One-Time (Apr.08-Dec.08) - Planning</i>				\$12,500	
Total 2007/08 Approval		\$3,428,929	\$2,571,697	\$4,062,657	\$4,310,467
Summary of All Funding	553				
Total Wage Improvement		\$827,943	\$671,868	\$909,211	\$936,300
Total Planning		\$59,430	\$59,430	\$59,400	\$59,400
Total New Fee Subsidy				\$433,650	\$578,200
Total New French-Language				\$65,029	\$195,000
Total Sustainability		\$4,145,690	\$3,643,415	\$4,941,200	\$4,941,200
Total Annual Approval 100% - On-going		\$5,033,063	\$4,374,713	\$6,408,490	\$6,710,100
<i>Add: One-time Approvals</i>		<i>\$795,529</i>	<i>\$596,647</i>	<i>\$53,800</i>	<i>\$0</i>
Total Combined New 100% Funding		\$5,828,592	\$4,971,360	\$6,462,290	\$6,710,100

*2008/09 new funding begins April 1, 2008 for Fee Subsidy, therefore only 9 months recognized in 1st year for Fee Subsidy, and September 1, 2008 for French-Language Services, therefore 4 months of 7months.

New French-Language Child Care Spaces

The remaining \$2 million of the new funding announced will be allocated as operating dollars to support the new French-Language licensed child care spaces across Ontario for school-based preschool (0 – 3.8 yrs of age) resulting from an inter-ministerial French-Language child care strategy between MCYS and the Ministry of Education.

Under this initiative, École élémentaire catholique Saint-Antoine, Conseil scolaire de district catholique Centre-Sud (CSDCCS), in Niagara Falls was one of 12 locations in Ontario identified and approved for 26 for new child care spaces. The new spaces will be available September 2008 bringing the total number of new French-Language child care spaces created in Niagara under Best Start to 85 since 2006. The expansion of the French-Language spaces was endorsed by Early Years Niagara Planning Council in June 2008 and is reflective of local planning and priorities set out by the Niagara Francophone Advisory Committee as part of Best Start “School’s First” priority.

In 2008/09, Niagara will receive a pro-rated amount of \$113,800 in 2008/09 consistent with the new spaces being operational in September 2008. The full allocation of \$195,500 will be on-going April 2009 to support wage subsidies, fee subsidies and special needs resourcing associated with the expanded spaces.

Submitted by:

Approved by:

Brian Hutchings
Commissioner, Community Services

Mike Trojan
Chief Administrative Officer

This report was prepared by Kathryn O’Hagan-Todd, Director, Children’s Services with input from Lori Bell, Cost Analyst.

Appendix I Correspondence – Ministry of Community and Social Services/Ministry of Children and Youth Services (August 21, 2008)

Ministry of Community and Social Services

Ministry of Children and Youth Services

Hamilton/Niagara Region

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Ministère des Services sociaux et communautaires

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August 21, 2008

MEMORANDUM TO: Brian Hutchings, Commissioner
Community Services Department
The Regional Municipality of Niagara

FROM: Lorraine Graham-Watson
Regional Director
Hamilton/Niagara Region

RE: **2008/09 Best Start Child Care Allocation – New
Provincial Funding**

The following outlines your additional 2008/09 Child Care allocation for Fee Subsidies and new French-Language Child Care Spaces as per the announcement by Minister Mathews on July 9, 2008.

	2008/09 Allocation
Child Care Fee Subsidy	\$578,200
French-Language Child Care Spaces	\$155,100
Total	\$733,300

Child Care Fee Subsidy funds are being flowed under **IFIS TP Business Unit Detail Code A663 – 100% Child Care Fee Subsidy.**

Funds to support new French-Language Child Care Spaces are being flowed under **IFIS TP Business Unit Detail Code A661 – Best Start Operating.**

These allocations are currently being processed, and should be available to you shortly. If you have any questions, please contact Patti Moore, Program Supervisor, at (905) 521-7421.

Lorraine Graham-Watson

cc: Kathryn O'Hagan-Todd, Director, Children's Services Division