



**THE DISTRICT OF THUNDER BAY
SOCIAL SERVICES ADMINISTRATION BOARD
BOARD REPORT**

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SOCIAL SERVICES ADMINISTRATION BOARD**

DATE PREPARED	August 18, 2009	REPORT NO.: 2009-20
MEETING DATE	September 17, 2009	TBDSSAB File No.: 440.03F /440.03P
SUBJECT	Child Care (Best Start) Funding	

REPORT SUMMARY

To apprise The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board) of the Early Learning Child Development (Best Start) funding decrease and subsequent implications for the 2010 budget year.

BACKGROUND

In 2006, the federal government terminated the Early Learning and Child Care Agreement. The province used the final payment of \$254 million to spread over four years – \$63.5 million per year ending in March 2010.

The original Multilateral Federal funding for Ontario Early Learning and Child Care and Provincial Best Start funding in the amount of \$277 million is still secure. In addition, the province contributed a one time amount of \$18 million to sustain the expansion of child care spaces throughout the province.

A memorandum regarding the Early Learning Child Development Best Start funding was received August 7, 2009 from the Ministry of Community and Social Services (MCYS or the Ministry). Attachment #1.

This letter states an annual reduction of \$666,113 to our Early Learning Operational funding envelope. However, we will receive a one time additional amount of \$188,819 from the \$18 million for 2010. The reduction is based on a March to December time period for 2010, resulting in an actual reduced amount for 2010 of \$310,766. However, the full reduction of \$666,113 will be realized in 2011.

COMMENTS

The Charles Pascal Report, '*With Our Best Future in Mind – Implementing Early Learning in Ontario*', released this summer, clearly identifies and addresses the funding issues for child care and full day learning. The report gives much hope for creating a system of efficiency, and in doing so allows for more effective use

of the funding. Further discussions are being held across all sectors and with all stakeholders. In the interim, every possible option will be reviewed to maintain the level of services and viability of the current system. Although ensuring accessibility/availability to child care through fee subsidy will always be the highest priority, more stringent enforcement of eligibility for fee subsidy and reason for care will be considered. A full review of the wage subsidy has been done to reflect changes in licensed capacity and staffing; some savings will be found in this envelope. Within the special needs funding envelope, there is significant flexibility to realign funds to protect fee subsidy services and maintain the integrity of the services to children with special needs.

CONCLUSION

The full impact of the decrease in funding will not be able to be assessed until the Pascal Report is adopted by the Province. Based on the recommendation in the report, funds will be retained in the child care system that are now attached to JK, SK, and school age children who will be served under the full day and extended learning plan. Full day learning for JK and SK children is to be implemented in the fall of 2010 which, if adopted by the province as policy, will result in a massive shift of services for this age group within the child care system, perhaps replacing the spaces, with serving many more children 0 to 3.8 years of age at a significant higher cost due to staff-child ratios.

For 2010 Administration will propose a budget that addresses the impact of the funding decrease; however the final decrease in the funding envelope is to be confirmed by the Ministry. The full impact of the decrease will be reported to TBDSSAB once confirmation of the full amount is provided by the Ministry. Further, any decrease in funding to the Service Providers will be communicated to the Service Providers in the Schedule 2 of the Service Contract, and will be communicated to the Board.

RECOMMENDATION

For information only.

REFERENCE MATERIALS ATTACHED

Attachment #1: Letter from June Kelloway-Tarrant, Regional Program Manager, Children's Services, MCSS/MCYS, dated August 7, 2009

PREPARED BY:	Janette Bax, Manager, Children's Services Division The District of Thunder Bay Social Services Administration Board
SUBMITTED BY:	Mary Lucas, Chief Administrative Officer The District of Thunder Bay Social Services Administration Board

Ministry of Community
and Social Services

Ministry of Children
and Youth Services

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August 7, 2009

MEMO TO: Janette Bax
District of Thunder Bay Social Services Administration Board

FROM: June Kelloway-Tarrant
Regional Program Manager

RE: Child Care – One-Time Investment of \$18 Million in 2010-11

In order to support your Council in planning for the upcoming fiscal year and further to Minister Matthews' letter of May 12, 2009 and the subsequent announcement by the Premier, this memo provides you with details on your notional portion of the one-time provincial investment of \$18 million to stabilize child care as a result of a \$63.5 million shortfall in federal funding beginning in 2010-11.

This provincial investment is intended to help municipalities plan and maintain child care spaces throughout the 2009-10 school year, providing stability for families. It also provides continuity in municipal funding (into the first quarter of the next provincial fiscal year) as the Minister continues to engage the federal government to reinstate its investments in early learning and child care and find long-term solutions to this funding shortfall.

As a result of the federal funding shortfall, your municipality would lose \$666,113 on an ongoing basis from your Early Learning and Child Development Operating Grant. However, the one-time provincial investment of \$18 million reduces the amount of funding at risk in 2010-11 by providing continuity in Early Learning and Child Development Grant funding through the 2009-10 school year. Based on your share of the \$18 million investment, your notional one-time allocation for the second municipal quarter of 2010 (April to June) is \$188,819 (subject to legislative approval).

If you have any questions regarding this funding, please contact Sandra Russell at the Ministry of Children and Youth Services Regional Office at (705) 564-8153 ext. 342.

Sincerely,

June Kelloway-Tarrant
Regional Program Manager
Children's Services