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# Niagara Region

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

**SUBJECT:** Ministry of Children and Youth Services to Ministry of Education Transition of Child Care Announcement April 27, 2010

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## RECOMMENDATION

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

## EXECUTIVE SUMMARY

- On April 27, 2010 the Province announced an important step toward the vision for a seamless and integrated system to support Ontario's children and their families.
- Child care will be transferred from the Ministry of Children and Youth Services to the Ministry of Education bringing child care and education together under one Ministry.
- The transfer takes place in phases, starting immediately with the movement of policy and program responsibilities with funding and contract management responsibilities to follow.
- On April 27, 2010 the Provincial Legislature passed the *Full-Day Learning Statute Law Amendment Act, 2010* that mandates all school boards to offer full-day learning for four and five year olds including integrated before and after school programs.
- Government also announced plans to provide funding to help stabilize child care during the transition of the early learning program phase in over the next five years.
- The announcement also included that the Minister of Children and Youth Services will work with Dr. Charles Pascal on how to integrate supports for young families.

## FINANCIAL IMPLICATIONS

The Province has announced new funding of \$225,000 for 2010/2011 for child care stabilization. This funding will increase gross expenditures for child care stabilization and corresponding revenues, resulting in a net zero impact on the Regional levy.

## PURPOSE

This report has been prepared to provide information to Committee and Council of the recently announced transition of child care from the Ministry of Children and Youth Services (MCYS) to the Ministry of Education (EDU) and preliminary information related to Niagara's allocation of the new child care stabilization funding.

## BACKGROUND

Dr. Charles Pascal's report on the implementation of full day learning for 4 and 5 year olds "With Our Best Future in Mind" released June 15, 2009 proposed sweeping changes for the system of services for children 0-12 years of age, including child care. In his report, Dr. Pascal recommended creating Best Start Child and Family Centres as a key vehicle for developing a children's service system. These centres would serve families as clear access points for integrated programs and services that support healthy child development, provide more timely identification and intervention services, and ensure more successful transitions throughout childhood. A strong focus on outcomes for children, namely early learning and school readiness was emphasized as providing a strong foundation on which to build and drive future social and economic prosperity.

On October 27, 2009, the Premier followed through with his plans to implement province-wide full day learning for four and five-year-olds with a five year implementation of the Early Learning Program (ELP). The ELP was a core component of Dr. Pascal's report *With Our Best Future in Mind* but not the complete vision put forth under that report. The report also recommended the consolidation of early learning and child care within the Ministry of Education as an important step towards a seamless service system for children and their families, from the early years into the school years.

On Tuesday, April 27, 2010 Ministers Laurel Broten of Children and Youth Services and Leona Dombrowsky of Education jointly announced a new direction for child care in Ontario as part of the government's vision for a seamless and integrated system to support Ontario's children and their families.

## REPORT

The transfer of all child care responsibility to the EDU adheres to a vision of ensuring that children receive the best opportunities for learning, as well as care, throughout their early years. It positions child care as a social program integral to childhood learning and development, with clear social policy outcomes including childhood development and school readiness.

This announcement provides an outline for the transfer to the Ministry of Education of all responsibility for child care for children aged 0 through 12 years. The main components of this transition include :

- Consolidated Municipal Service Managers (CMSM) and District Social Services Administration Boards (DSSAB) will remain as the service system managers.
- Funding arrangements in terms of the 80/20 cost sharing, where currently in place, will remain unchanged.
- Funding allocations to CMSM's will now flow from the Ministry of Education, rather than from the Ministry of Children and Youth Services. The start date for this transfer is yet to be determined.
- Over time, MCYS staff in the areas of child care will move over to EDU, pending discussions at both ministries.

- The EDU is investing additional money over five years for extended day fee subsidies for 4 and 5-year olds in the Early Learning Program, to be combined with other fee-subsidy funding that will be transferred from MCYS to EDU.
- Fee subsidy dollars will follow those 4 and 5 year-old children who will move out of child care and into Early Learning Programs. Fee subsidies will remain within the child care system for those 4 and 5 year-olds who do not move over.
- Funding for Ontario Works (OW) child care (approximately \$33 million) will be transferred from MCYS to EDU.

Given the changes that will occur over the next year, the Province has indicated that the first year of this transition will be a “hybrid year” as the new structure is implemented. The transfer will take place in phases, starting immediately with the movement of policy and program responsibilities. Funding and contract management responsibilities will follow this fall.

Also, on April 27, 2010 the Ontario Legislative Assembly passed the *Full-Day Statute Law Amendment Act, 2010*. This act amends the Education Act to mandate that all school boards offer full-day learning for four and five year-olds, including integrated before-and-after-school programs. It will provide a clearer framework as the Province moves forward with the implementation of full-day learning.

Finally, the announcement also named Dr. Charles Pascal as the special advisor to Minister Broten. Together, they will be responsible for developing a plan for seamless, integrated service delivery of early years programs related to children from prenatal to 4 years of age. The new plan will build on promising practices, tools and plans already in place, as well as on the hub vision of Best Start Child and Family Centres as articulated in Dr. Pascal’s Early Learning Advisor’s report. The mandate will include looking at all related services across ministries, which will include child care in its new home in EDU.

#### Child Care Stabilization Funding

The government has committed to assist municipalities with addressing the challenges in child care that result from the implementation of full-day learning. The stabilization funding will be phased in over the period of implementation, growing to \$51 million annually at full implementation to help stabilize child care centres as four and five-year-olds move into the full-day learning program. The government has also committed \$12 million over five years in new capital funding to help non-profit child care centres make retrofits and renovations to serve younger children.

Niagara has been advised the 2010/11 Child Care Stabilization funding allocation is \$225,000. Guidelines that outline the process to work with impacted child care centres to develop plans are expected to be forthcoming. Plans will be due by June 30, 2010 to MCYS Regional offices as part of the annual child care planning process. Allocations were based on risk assessment surveys already submitted to the MCYS as part of the Early Learning Program Phase 1 school site selection process to reflect the risk to child care.

Although the funding component of this announcement is not enough to address all transition concerns that Niagara's child care system may be facing (COM 10-2009, COM 40-2009, COM 62-2009), the five-year allocation is significant in light of the fiscal restraint that was evident in the Province's 2010 budget. While it is disappointing that the funds currently in the child care system for 4 and 5 year olds will move with them as they enter the new ELP program, it is not surprising. It is also reasonable to expect that there will be some, albeit small, cost savings for municipalities which no longer need to contribute the 20% in this area, but it is too soon to say what these savings will be. It has yet to be officially announced who will administer the fee subsidies for the extended day part; however, there is a degree of confidence that municipal service managers will be given this responsibility. Finally, the transfer of OW funding from MCYS to EDU is significant in that it signals the provinces commitment to having a single Ministry look at an integrated and seamless outcomes-oriented approach to policy development and service delivery.

Submitted by:

Approved by:



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Brian Hutchings, Commissioner  
Community Services Department

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Mike Trojan  
Chief Administrative Officer

*This report was prepared by Kathryn O'Hagan-Todd, Director, Children's Services.*

Appendix A – Correspondence re: Child Care Program – Stabilization Funding

**Ministry of Community and Social  
Services**

**Ministry of Children and Youth  
Services**

Hamilton/Niagara Region

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**Ministère des Services sociaux et  
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**Date:** April 28, 2010

**To:** Brian Hutchings, Commissioner  
Community Services Department  
The Regional Municipality of Niagara

**From:** Lorraine Graham-Watson  
Regional Director, Hamilton/Niagara

**Re:** **Child Care Program – Stabilization Funding**

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This is to advise you that the 2010/11 Child Care Stabilization funding allocation for the Regional Municipality of Niagara is \$225,000.

The Child Care Stabilization Guidelines will be sent to you shortly. The guidelines outline the process to work with your impacted child care centres to develop plans. Plans are due to the Regional Office by June 30<sup>th</sup> as part of the annual child care planning process.

Stabilization funding will be allocated as part of your 2010 Child Care Service Contract after your plan has been submitted and approved.

If you have any questions please contact Jo-Anne Guindon, Program Supervisor, Hamilton/Niagara regional office at (905) 521-7595.

Sincerely,

A handwritten signature in black ink, appearing to read "Lorraine".

Handwritten initials in black ink, appearing to be "LW".  
Lorraine Graham-Watson  
Regional Director, Hamilton/Niagara