

Local social services board to squirrel away \$1.6M surplus ^[1]

The DSSAB experienced big savings from a reduction in daycare use last year, but the board chair expect big increases in use as \$10 a day daycare is rolled out over the next few years

Author: Armstrong, Kenneth

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EXCERPTS

A \$1.6 million budget surplus found during an annual audit by the local social services board will be put into reserves, likely for future housing projects, said the board's chair.

The surplus of \$1,638,566 was found in the Sault Ste. Marie Social Services Administration Board (DSSAB) 2021 operational budget after an annual audit.

"There were savings across every division," said Luke Dufour, city councillor for Ward 2 and chair of the DSSAB. "One of the biggest was in Early Years and a lot of that was due to the under-utilization of the daycare system over the past year."

A lot of people in the Sault chose to pull their kids from daycare while they found themselves working from home, resulting in an \$862,127 surplus in Early Years services, Dufour explained.

Dufour said the surplus could potentially go toward a one-time levy reduction in the next budget cycle.

"That's not primarily where we would like to see our reserves, because then you are just pushing your budget pressures to the following year," he said.

Instead, members of the DSSAB voted to put the \$1.6 million surplus into a reserve fund, likely to be used for future projects.

"Having those reserves is really valuable because we expect we are going to require additional resources in the housing and homelessness area mid year," said Dufour.

Although there was a reduction in the use of daycare services in 2021, Dufour expects a big increase in its use in the future now that the Ontario government has signed on to a partnership with the federal government for \$10 a day daycare.

"The hope is that child care usage rates are going to go back up as people start going back to work, especially with the new agreement the province signed – we expect the demand for daycare is going to increase," said Dufour. "Right now what we are doing is being in constant contact with our non-profit providers because in order to implement the Canada-Ontario agreement to move toward \$10 a day (daycare) operators need to opt in or opt out."

Dufour said he can't imagine local non-profit operators would not want to opt in, considering there is millions of dollars in funding available through the program.

The \$10 a day daycare is being phased in over the next few years.

Currently in the first stage there is a 25 per cent rebate backdated to April 1 for each child enrolled in a licensed daycare and a second reduction of 25 per cent will take effect in December.

Dufour said families shouldn't expect the rebate cheques to be in the mail just yet.

"The refunds are conditional on that new operator agreement being signed," said Dufour. "It's not something that is going to happen Sault Ste. Marie-wide all at the same time, because we don't expect that each individual operator is going to sign their operating agreement on the same day."

The program will be fully implemented in 2025-26 to offer true \$10 a day daycare in the province.

Dufour said it will make a huge difference for families living in the city.

"I can speak from personal experience because I have two kids in daycare and it's over \$2,000 a month," he said. "That economic benefit of expanding access for working parent is huge, especially for women in the work force because we know that the burden of child care responsibility generally does fall on women more than it does on men, so being able to raise the female participation in the workforce is

huge for Sault Ste. Marie.”

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