

Ontario seeks municipal daycare audits, raising cost-cutting concerns ^[1]

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Excerpts

TORONTO -- Ontario has ordered municipalities that directly operate child-care centres to do a value-for-money audit of their programs to determine if they could instead be operated by a "third party," raising concerns about privatization.

...

Ministry of Education funding guidelines sent to licensed child-care operators late last year say municipal child-care administrators should have the independent audits completed by the end of 2024.

"The purpose of the value for money audit is to determine whether provincial funding is being used efficiently and effectively by directly operated centres, and whether the child care services could be offered by a third party provider instead," the ministry wrote.

...

The government announced in 2019 that it was asking municipalities to contribute 20 per cent of the cost of creating spaces, where the province had previously contributed all of it. The province also said administration funding would be split 50-50 going forward, but has since provided \$220 million in transitional funding that is now expiring.

The Ontario Coalition for Better Child Care says that will amount to a cut of \$85.5 million.

NDP child-care critic Teresa Armstrong said the system is in desperate need of more funding, not less.

"Many families are already having to drain their bank accounts to pay for child care, and providers such as the YMCA are warning of imminent closures if crisis funding isn't received," she wrote in a statement. "These Conservative cuts will only make life even more unaffordable."

...

"Those municipally operated child-care programs...function as model programs, where the staff remain pretty consistent, they get paid good wages and good benefits, and we're not seeing high turnover in those types of programs, as we are in the community sector," she said.

...

The City of Toronto commissioned a review of its services a few years ago and the report published in 2021 found that city-run centres serve a much higher proportion of vulnerable families than other centres.

...

Alana Powell, the executive director of the Association of Early Childhood Educators of Ontario, said it sounds like the province is trying to save money by reducing ECE wages.

"The fact that they're more expensive is because they're making an investment back into the program

by appropriately compensating early childhood educators and by hiring more qualified staff than regulations require," she said.

...

Municipally run programs that have been through previous value-for-money audits often end up closed, Powell said. The Region of Waterloo announced in 2020 that it was closing its five licensed child-care centres after a KPMG audit concluded it would save \$7.1 million a year in operating costs.

"The intentions of the province in doing the audits only for the public operated child cares (are) a little concerning. It seems to deviate from those stated values of the federal program."

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