

Funding crunch threatens child care ^[1]

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Excerpts:

The city risks having to cut 3,500 subsidized child care spaces starting next year if it does not address a longstanding funding shortfall, the manager of the children's services department told Toronto's budget committee Tuesday.

There are 24,000 childcare fee subsidies, of varying amounts depending on the income of the parent, available in Toronto, and 18,000 children on a waiting list to get one.

Funded in large part by the provincial government -- but at 1995 levels, staff say -- the city's children's services department has repeatedly dipped into its reserves to balance its budget. This year, it will draw \$11.9-million from the childcare expansion reserve fund, said department manager Elaine Baxter-Trahair. At this rate, it will be depleted by 2012, she said.

"The base funding [from the provincial government] has not been rising by inflation, so we've had to find a way to cover those costs because salary and the cost of care do go up every year," Ms. Baxter-Trahair told the National Post after her presentation to the budget committee.

"When the reserve fund is gone, we need a strategy or we have to cut spaces," she said. "I'm hoping not, because at the staff level we are in discussions with the province and they are aware of the issue -- but yes, I think it is a real risk."

During the campaign, Mayor Rob Ford identified child care as one area that could get additional funding from savings accrued on his mission to eradicate "wasteful" spending. Following her presentation, Councillor Doug Ford, vice-chair of the budget committee, said children's services "is an extremely important service we have to focus on."

Childcare operators will also have to grapple with the effects of the provincial government's plan to move four- and five-year-olds into full-day kindergarten.

Traditionally, revenues from caring for four- and five-year-olds has helped subsidize the more expensive cost of caring for infants and toddlers, who have higher staffing ratios, said Ms. Baxter-Trahair. Without the older children in the system, daycare may become unaffordable for some families, she said. "So, four and five year olds have been helping to finance the cost of caring for younger children," said Councillor John Parker (Don Valley West).

Councillor Janet Davis (Beaches-East York) called the looming child-care subsidy shortfall "one of the icebergs we are facing."

- reprinted from the National Post

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