

2,000 child-care subsidies on chopping block ^[1]

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EXCERPTS

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Toronto city council is about to take an axe to 2,000 subsidies in an effort to slash its chronic operating deficit.

The subsidies are funded through a city reserve that will be depleted in early 2013, says a report by the city manager who recommends the subsidies be "suspended" at that time.

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If city council approves Pennachetti's report later this month, Toronto would be returning to mid-1990s levels of child-care service to low-income families, advocates say.

"This is such a betrayal of the families and the children of this city," said Councillor Janet Davis, vice-chair of the city's community development and recreation committee.

"The recommendations of the mayor and his consultants target the most vulnerable and it is a shameful way to try to balance the budget on the backs of those who are least able to defend themselves," she said in an interview.

More than 20,000 families are already on the city's daycare subsidy waiting list, and some never get a spot, she added.

City staff has been warning politicians of the impending child-care cash crunch for more than a year, said Elaine Baxter-Trahair, the city's general manager of children's services.

"This is no different from what we have been saying all along," she said. "Unless our funding pressures are addressed (by Queen's Park) when the reserve fund is depleted, we'll have to start reducing incrementally."

The cuts would begin through attrition next summer and fall, as children leave the system or grow up, she said.

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The loss of those subsidies will mean some centres won't be able to fill vacancies because area parents can't afford full fees, which can run as high as \$1,600 a month for an infant and \$1,000 a month for a pre-schooler.

The subsidy cuts come at a time when centres are already scrambling to deal with the loss of 4- and 5-year-olds to all-day kindergarten.

"It adds to centres' fiscal pressures, no question," Baxter-Trahair said.

In addition to cutting the 2,000 daycare subsidies, the city manager's report recommends a broader review of Toronto's child-care system to further reduce costs.

The review, which would be part of the city's child-care task force, struck earlier this summer and headed by Councillor Giorgio Mammoliti, will look at the possibility of transferring some or all of its 55 directly operated child-care centres to non-profit or commercial operators.

It will also consider scrapping the city's quality ratings system and services for children with special needs and will look into setting a maximum per diem rate based on the average cost of non-profit daycares, instead of paying centres their actual costs.

- reprinted from the Toronto Star

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