

# Ontario government tweaks child care funding formula <sup>[1]</sup>

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## EXCERPTS:

Queen's Park is reforming the way it distributes child care money to municipalities and giving them more control over how they spend it.

In an announcement Tuesday, Education Minister Laurel Broten said provincial child care funding will be based more closely on need rather than on demographic data that is as much as 20 years out of date.

The new funding formula will be derived from a variety of indicators including child population, child poverty levels, cost of living, welfare caseloads and education levels, she said. Indicators will be updated regularly.

A \$50 million mitigation fund will ensure no municipality will receive less money as a result of the changes, she added.

"We're committed to moving forward with a vision of high quality, accessible, co-ordinated early learning and child care for all children no matter where they live in Ontario," she said in an interview Tuesday.

The new funding formula and framework are the "next step" in the province's child care modernization plan, launched last summer with a discussion paper, she said.

About \$242 million in new child care funds - first announced in last year's budget deal with the NDP - will be spent over the next three and a half years.

About \$90 million was allocated this year and another \$68 million is earmarked for 2013.

Peel Region, which has seen enormous population growth in the past 20 years, will get an additional \$28.5 million next year, a 53-per-cent increase.

York, another high-growth area, will get \$17 million more, a 39-per-cent hike.

Toronto and Durham are both receiving 3-per-cent increases. Toronto is getting an additional \$8.4 million and Durham will get \$1 million more.

The provincial body representing municipal social service managers praised Broten's attention to the child care file at a time of fiscal restraint and teacher unrest.

"We are pleased to see that the province has been able to make progress towards an early learning and child care system that recognizes the needs in the communities where families and children live," said Kira Heineck, executive director of the Ontario Municipal Social Services Association.

In Peel, where 88 per cent of licensed child care spots serve 4- and 5-year-olds who will be moving to all-day kindergarten in the next two years, the new money is desperately needed to create programs for babies and toddlers, child care officials say.

"We have traditionally been underfunded," said Janet Menard, Peel's human services commissioner. "This will certainly bring stability to the system."

Over the next four years, Toronto's share of provincial child care funding will grow from about 25 per cent to 30 per cent, said Elaine Baxter-Trahair, the city's general manager of children's services.

The extra money extends an important lifeline to the city's teetering daycare system and the extra spending flexibility will allow officials to put the money where it is needed most, she said.

But more dramatic reform is needed to address the city's daycare subsidy wait list of more than 20,000 children, she said. The city's 54,000 subsidies still serve just 28 per cent of children living in poverty, she added.

Early learning adviser Charles Pascal welcomed the province's move to spend existing resources in a more rational way and give municipalities more flexibility, but he said Tuesday's announcement doesn't address the long-term need for more money in the child care sector.

-reprinted from the Toronto Star

**Related link:** Transitioning to Ontario's new child care funding formula and funding framework: Supporting Documents <sup>[2]</sup>

**Region:** Ontario <sup>[3]</sup>

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