

Early learning and child care in Ontario: Organizing for the challenges ahead

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Year in brief

- Chaos following provincial budget
- Coordinated campaign with labour, municipalities, and public health advocates to push back against cuts
- Cuts put on hold until January 2020.
- Legislature on break since June 6th until October 28th

Cabinet shuffle and new roles at Min of Ed.

- Minister of Education is now Stephen Lecce
 - First term MPP for King-Vaughan
 - Former Deputy Communications Director and Director of Media Relations for PM Stephen Harper
- Mandate letters *still* not released.
- ADM for Early Years and Child Care Division is currently vacant.
 - Shannon Fuller is now ADM of Strategic Policy and Planning.

Overview of child care funding changes

- **January 1, 2020**, Expansion Plan operating funding will change from 100% provincially funded to a *voluntary* 80/20 provincial/municipal cost-share.
- **January 1, 2021**, CMSMs will be required to cost share all administrative funding at a rate of 50/50;
- **January 1, 2022**, the threshold for allowable administrative funding CMSMs can spend on child care will be reduced from 10% to 5%.

Expansion plan cost share

- Expansion Plan funding was introduced by in 2017, as a 100% provincial fund.
- The cost share change does not only impact future expansion projects, but also programs created since 2017 under the Expansion Plan.
 - Example 1: Sudbury created 204 spaces under the Expansion Plan since 2017. In 2020, it will cost the city \$1.3 million to fund its 20 per cent of the 204 spaces created since 2017.
 - Example 2: Peterborough estimates that 20% of existing and projected expansion spaces for 2020 will be \$435,909.
- The Province has indicated that the 20% municipal portion is encouraged but *voluntary*. The province will provide 80 percent of the previous funding regardless of the CMSM's contribution.

Anticipated impacts of funding changes

- Budget pressures on municipalities will drive:
 - Freeze on expansion;
 - Consideration of closure of municipal directly operated programs;
 - Ending fee reduction pilot programs;
 - Cuts to programs.

Policy and regulation changes

- Service planning: The Ministry postponed the June 30, 2019 deadline for CMSMs to submit service system plans until further notice.
- Funding to for-profits: Removed prioritization of non-profit operators for capital funding, capacity funding, transformation funding and for third party agreements for BASP.
- Home child care changes came into force on July 1st.
- Lowered age eligibility for after school authorized rec and skill from 6 years to 4 years.

What's still to come?

- Ministry documents repeatedly mentions “working on a new child care plan”
- “In 2019 the ministry will be considering updates to the Child Care Funding Formula that would come into effect in the future to address sector feedback and reduce administrative burden.”
- There will be a 5-year review of the *Child Care and Early Years Act*.

Discussion

- Challenges
- Opportunities
- How to organize for change