

Hand in hand

How the province and municipalities can create the best early learning and child care service system for Ontario

An OMSSA discussion paper
March 2009



Ontario Municipal Social Services Association
www.omssa.com

Who is OMSSA?

The Ontario Municipal Social Services Association (OMSSA), represents Ontario's 47 Consolidated Municipal Service Managers and District Social Services Administration Boards (CMSMs and DSSABs), supporting the effective provision of human services across the province.

Our mandate is to make positive, progressive change in the areas of social housing, homelessness prevention, social assistance, employment services, child care, and children's services.

Human services integration. As the collective voice for Ontario's municipal human service system managers, OMSSA is committed to the principles of human services integration, which we define as a system of services that is coordinated, seamless, and tailored to the needs of people so they can maximize their potential, enhance their quality of life, and contribute to their community.

Investing in people makes sense. OMSSA believes that investing in people will help to create healthy and prosperous communities. People can succeed only when they have access to adequate shelter, education, income, safety, recreation and leisure, and cultural expression. The stronger our social infrastructure—the system of social services, networks, and facilities that support people and healthy communities—the greater the opportunity for all Canadians to contribute socially and economically. Investing in people means enabling individuals to contribute to their full potential. Investing in people means working towards a society that thrives economically, socially, culturally, and politically.

Poverty reduction. At a time of economic uncertainty in Canada and across the globe, a comprehensive strategy to reduce poverty among all Canadians will build a foundation of economic certainty, confidence, and sustainability into the future. Reducing poverty strengthens individuals and families, helps our schools and businesses, and gives more people the opportunity to make meaningful contributions to our society. Poverty reduction must emerge from the investments in affordable housing, improvements in economic security, and expansion of early learning and child care opportunities. Through these efforts, poverty reduction will improve the quality of life for all Canadians, thus strengthening Canada's overall prosperity.

This paper was produced through the collaborative work of OMSSA's members, and especially the Service System Management of Early Learning and Child Care Task Force:

Brenda Patterson, City of Toronto (chair)	Lorna Reid, Regional Municipality of Peel
Beth Nowak, Cochrane District Social Services Administration Board	Lynne Livingstone, City of London
Brenda Bax, City of Hamilton	Mary Fenn-Dunbar, Regional Municipality of Halton
Eveleen McDonagh, County of Huron	Mary Parker, Regional Municipality of Waterloo
Francine Riopelle, City of Ottawa	Nancy MacLean, Algoma District Social Services Administration Board
Kate Barber, City of Greater Sudbury	Shannon Hyatt, City of Windsor
Kathryn O'Hagan-Todd, Regional Municipality of Niagara	Teresa McKeeman, County of Wellington

Ontario Municipal Social Services Association

5720 Timberlea Blvd., Unit 100, Mississauga, Ontario L4W 4W2

© 2009. www.omssa.com. All rights reserved.

For more information on this paper or on other OMSSA issues, please contact Etan Diamond, Manager of Policy and Research, at 905-629-3115, ext. 245 or at ediamond@omssa.com.

Table of contents

Executive Summary: Speaking of children	1
Local services serving local children.....	5
OMSSA’s vision for children.....	8
Making our vision a reality	9
Hand in hand: Our recommendations	11
Recommendation 1: Service quality.....	11
Recommendation 2: Shared accountability.....	14
Recommendation 3: Funding sustainability	18
Recommendation 4: Local flexibility	23
Conclusion	28

Executive Summary: Speaking of children

This is a paper about children. It is a paper about how to create the best possible environment for Ontario's children and families to receive the early learning and child care services they deserve. The language in this paper might speak of "programs," "funding," "system," and other technical terms—but at the heart of the paper are the children.

The timing is right for a paper on children and the services they deserve, as children have been at the centre of several of the Ontario government's policy priorities.

In October 2008, the Provincial-Municipal Fiscal and Service Delivery Review declared that "better integration of child care and children's services would improve readiness to learn and healthy child development outcomes, as well as supporting low income working parents."¹

In early December 2008, the report from Ontario's Cabinet Committee on Poverty Reduction announced that "children should have the opportunity to succeed in life, and people facing challenges should be given the tools they need to get ahead."²

In early 2009, the Special Advisor to the Premier for Early Learning will issue his report on full-day early learning in Ontario. In the words of Advisor Dr. Charles Pascal, "full-day learning will provide Ontario children with supportive and developmentally enriched programs that help lay the foundation for a healthy and productive lifetime of learning."³

It is within this child-oriented policy climate that the Ontario Municipal Social Services Association (OMSSA) offers this paper.⁴

¹ Province of Ontario, Association of Municipalities of Ontario, and the City of Toronto. *Provincial-Municipal Fiscal and Service Delivery Review: Facing the Future Together*. 2008 (hereafter cited as the "Provincial-Municipal Review").

² Cabinet Committee on Poverty Reduction. *Breaking the Cycle: Ontario's Poverty Reduction Strategy*. 2008. www.ontario.ca/breakingthecycle.

³ Charles Pascal. *Letter from the Early Learning Advisor*. http://www.gov.on.ca/ont/portal/!ut/p/.cmd/cs/.ce/7_0_A/s/7_0_252/s.7_0_A/7_0_252/_l/en?docid=STEL01_139326

⁴ This paper fits directly with OMSSA's other policy work on children, poverty reduction, and human services integration. For example, in September 2008, OMSSA issued a position paper on full-day early learning:

We set out a vision of a system that emphasizes human services integration, in which early learning and child care is linked to and integrated with other human service needs, including employment, housing, education, and recreation. Integration of early learning and child care into the broader human services system makes clear that a person's child care, employment, income, and housing needs are connected, that a human services system cannot function in fragmented silos.⁵

We present a roadmap for early learning and child care that leads to a more prosperous Ontario and moves people away from poverty and vulnerability. Access to early learning and child care services reduces poverty by strengthening individuals and families, helping our schools and businesses, and giving more people the opportunity to make meaningful contributions to our society.⁶

We lay out a blueprint for a quality early learning and child care service system that reflects the strengths and meets the needs of local communities across Ontario.

We offer solutions to the obstacles that are holding back this system.

And we put forth our positions in a spirit of collaboration between the provincial government and Ontario's municipal service managers.

Our paper contains four major recommendations, as follows:

Recommendation 1: Service quality

The province and municipalities hold a summit to identify common objectives and outcomes for the creation of a quality early learning and child care service system.

The province commits to funding quality assurance mechanisms to maintain high levels of quality throughout the entire early learning and child care service system.

OMSSA, *Full-Day Learning for 4- And 5-Year-Old Children - Building a Stronger Early Learning and Child Care System in Ontario* (2008).

⁵ For a more comprehensive discussion of human service integration, see Human Services Integration Steering Committee. *A guide to thinking about human services integration*. (OMSSA: 2007). The Human Services Integration Steering Committee is a joint effort of OMSSA and the Social Housing and Services Corporation. The Committee is currently producing a paper on human services planning, to be released in Spring 2009.

⁶ For a detailed discussion paper on poverty reduction, see *Government Makes a Difference: Working Together Towards Poverty Reduction: A Discussion Paper by the Association of Municipalities of Ontario (AMO) and the Ontario Municipal Social Services Association (OMSSA)* (Toronto: 2009). See also OMSSA, *Summary and Comment on the Provincial-Municipal Fiscal and Service Delivery Review* (October 2009).

The development of Ontario's quality early learning and child care service system must be based on evidence-based research both about quality systems and quality programming. Examples of such research include the Best Start Expert Panel on Quality and Human Resource, the Best Start Expert Panel on Early Learning, the OECD's benchmarks on child care, and the Quality by Design Project.

Recommendation 2: Shared accountability

The province and municipalities develop a shared accountability framework for the funding and delivery of an early learning and child care service system based on common definitions of terms and consistent measurement methods and formulas.

This shared accountability framework will include key indicators that focus on successful outcomes for children, their families, and the broader community. Examples of these outcome indicators are:

- Increased levels of school readiness, as measured by the community's Early Development Instrument
- Reduced proportion of children living in poverty in the community
- Increased number of parents who can work because of the availability of subsidized child care in the community

This framework will also include measures of funding inputs and service outputs, such as:

- Annual child care service costs per normalized child care space
- Levels of investments in children's services per child in the community
- Numbers of children receiving child care subsidies
- Numbers of children receiving special needs resource services

The province and municipalities will jointly identify these indicators based on available resources, such as the developmental trajectory defined in the MCYS Strategic Framework and the Early Development Instrument, as well as on other new community measures such as the Middle-years Development Instrument.

Finally, as they jointly develop this accountability framework with its associated output and outcome measurements, the province and municipalities must recognize that there are numerous other community influences on children. As such, the partners must understand how these broader contexts shape the experiences of children and families.

Recommendation 3: Funding sustainability

The province declares its commitment to Ontario's children by fully funding an early learning and child care services system at sustainable levels. Such sustainable funding by the province must meet internationally accepted benchmarks for investments in children.

Funding sustainability must include:

1. a consistent, stable, and indexed, multi-year funding envelope based on a consistent and equitable formula that reflects true local costs of children's services
2. capital funding to expand the children's service sector to meet local needs and to respond to the demands introduced by full-day early learning

-
3. consistent, indexed funding to support appropriate wages for children's service workers

These funding formulas must be jointly developed by the province and municipalities.

Sustainability must also include a commitment to the Best Start program, and the extension of funding supports beyond the program's current conclusion in 2010.

Recommendation 4: Local flexibility

Ontario's early learning and child care service system, jointly developed by the province and municipalities, must include a standard menu of services with the allowance for local flexibility in implementation.

Sustainable funding formulas for this system must be jointly developed by the province and municipalities and must be based on actual local costs of providing care and service.

Municipalities must engage the children's programs and services within their mandate and beyond to develop broad integrated community human service plans.

Local services serving local children

Children in every community across Ontario deserve opportunities to grow, learn, and develop in a healthy environment. As such, children are the shared responsibility of families, communities, and governments. It is fitting, therefore, that the provincial government has focused much of its recent attention on strategies to improve the quality of life for children.

But children do not live their lives provincially. They live locally, in neighbourhoods and in communities. As such, it is fitting that they receive services from local municipal service managers—those orders of governments that are closest to local communities and that see first-hand the strengths and needs of their youngest residents.

The dual nature of children’s services—a provincial issue with local manifestations—was articulated in the Provincial-Municipal Fiscal and Service Delivery Review, released in October 2008. Speaking broadly about human services, the Review noted that although the “provincial-municipal relationship is highly intertwined, where province-wide solutions are needed, they must be sensitive to [local] differences.”

Since the late-1990s, balancing that provincial-local duality has been the responsibility of Ontario’s 47 Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs).⁷ In the years since the province first created these municipal service managers, CMSMs and DSSABs have established themselves as leaders in managing and delivering local services for the province’s children and families.

⁷ In this paper, the term “CMSMs and DSSABs” is often used interchangeably with “municipalities and districts.” Technically, CMSMs and DSSABs are administrative titles assigned to those municipal departments that receive provincial funding for local management and delivery of human services. Thus, a municipal government structure will have a “Department of Social Services” that, from a provincial funding perspective, is also the CMSM. Municipalities and districts obviously have larger responsibilities beyond social services (such as infrastructure, planning, parks and recreation, economic development), but for the purposes of this paper, when we speak of municipalities and districts we are usually referring to their involvement in human services and child care, specifically. Finally, although there are political and administrative differences between municipalities and districts, the term “municipalities” in this paper refers to municipalities and districts together.

Yet, for all the successes of CMSMs and DSSABs, the relationship between the province and municipalities continues to evolve. The very existence of the Provincial-Municipal Review testifies to this evolution.

Even as provincial policy initiatives such as the Poverty Reduction Strategy and Full-day Early Learning move forward, questions of funding sustainability, local flexibility, and shared accountability remain to be addressed.

They must be addressed, because by strengthening their partnership, the province and municipalities can do so much more for Ontario's children. The reduction of child poverty by 25 percent, as promised in the government's Poverty Reduction Strategy, will only happen in an environment of provincial-municipal collaboration. The expansion of early learning programs will only succeed when the province and municipalities develop a shared understanding of the desired outcomes.

The seeds of this cooperation have been sown in the Provincial-Municipal Review. The recognition of local service management, the call for local flexibility, the desire to create shared accountability frameworks—these represent the flowering of a renewed partnership between the province and Ontario's municipal service system managers.

With this paper, then, we seek to shape the evolving landscape of children's services by offering direct and practical recommendations for the provincial and municipal partners.

We believe that Ontario's children thrive when served by a comprehensive quality early learning and child care services system that is accountable, sustainable, and flexible.

Such a system requires:

- 1. a commitment to the highest levels of service quality*
- 2. an accountability framework that focuses on successful outcomes for children rather than outputs for service deliverers*
- 3. funding stability, predictability, and sustainability to meet those outcomes*
- 4. flexibility to meet those outcomes in locally appropriate ways*

Everyone wins when Ontario is home to an accountable, sustainable, and flexible system of quality early learning and care services:

- The child who attends her community's full-day early learning centre down the hall from the Ontario Early Years Centre or Family Resource Centre, where she developed a strong foundation of play-based early learning and where her parents were supported in their parenting role
- The unemployed parent who can start to work because her child has access to subsidized child care
- The family whose disabled child accesses special needs resources on a regular basis and who has the same range of program options as other children

Most broadly, the entire community benefits when children and their families can access the services they need when they need them. Economically, parents who can work because their children have child care pay more income taxes and have more money to spend locally. A thriving child care sector employs more workers and raises local economic competitiveness by attracting other businesses to the area. And that ever-so-crucial concept of "social capital" expands as people can participate meaningfully in their community.

Ontario's overall prosperity is directly dependent on a sustainable, quality children's services system, managed in locally appropriate ways by municipalities based on an accountability framework developed in collaboration with the province.

But in the end, it is the children who benefit from a high-quality early learning and child care service system. It is the children who can grow up in healthy environments and who can have stimulating, challenging, and nurturing experiences in their earliest years.

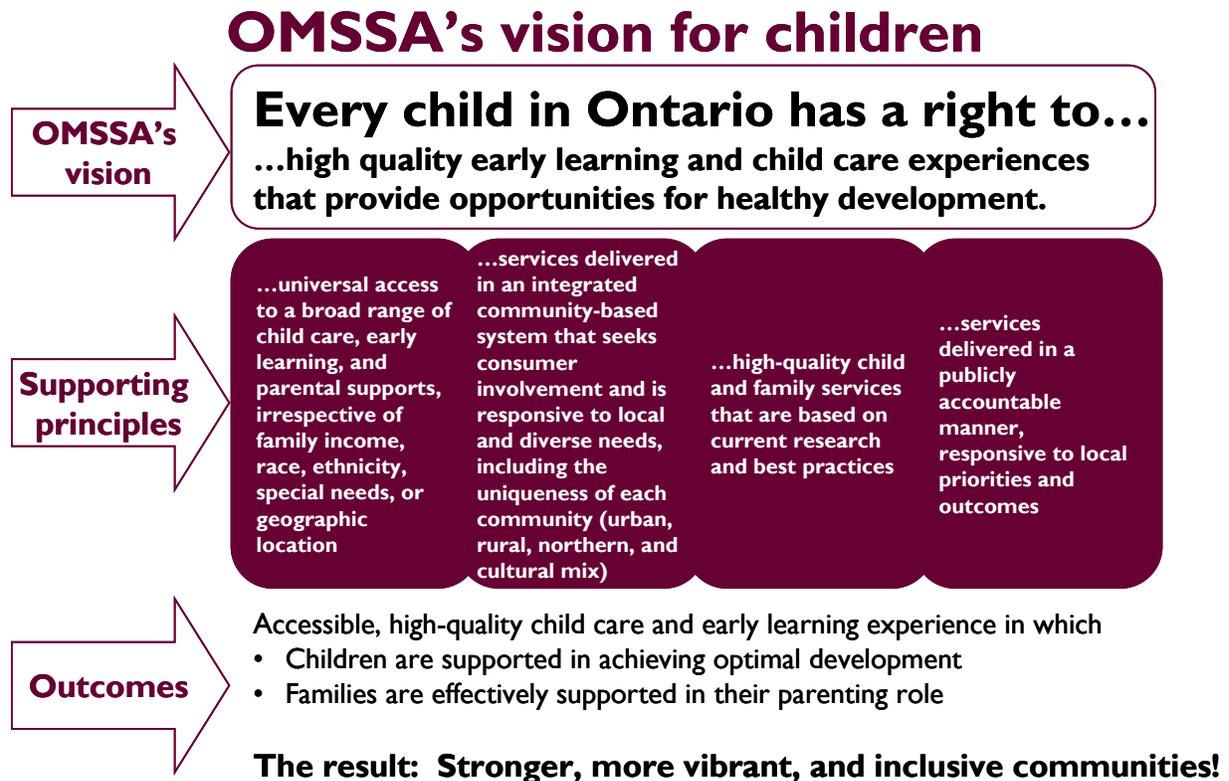
OMSSA's vision for children

This discussion about a provincial-municipal partnership for children's services grows out of OMSSA's broader vision for children and families in Ontario. In our vision, every child has a right to high-quality early learning and child care experiences that provide opportunities for healthy development.

Our vision is supported by four key principles:

1. Children have universal access to programs and services
2. Services exist within an integrated system reflective of local needs
3. Services meet standards of quality based on research and evaluation
4. Services are delivered within a locally appropriate shared accountability framework

When these principles are upheld, children will receive the early learning and child care services they deserve. Parents, in turn, will feel effectively supported in their roles. The result? Strong communities that are vibrant and inclusive and that propel Ontario to a more prosperous future.



Making our vision a reality

Given the current policy attention to children, OMSSA's vision for children is not an abstract dream. It is a goal within our reach. Our task—and the task of the province and municipalities together—is to take hold of the opportunities before us. We must take hold and create an early learning and child care service system that reflects and affirms:

- **Quality**
- **Accountability**
- **Sustainability**
- **Flexibility**

Quality means that children and families in Ontario have access to evidence-informed, age appropriate programs, practices, and services delivered by knowledgeable, skilled, and committed practitioners working in supportive and rewarding environments.

Accountability means that the province and municipalities jointly develop a common vision for the direction of early learning and child care services. It means that they jointly develop a framework for policy and program outcomes. It also means that municipalities and districts, as local service system managers, accept the responsibility of meeting those outcomes and of demonstrating that provincial funds are used as directed.

Sustainability means a level of stable, predictable, and sufficient multi-year funding that supports the entire children's services system in ways that allow CMSMs and DSSABs to engage in meaningful long-term planning.

Flexibility means the ability of CMSMs and DSSABs to make decisions responsive to local needs. It means that funding streams allow municipalities to invest in a standard menu of early learning and child care services, tailored to the particular circumstances of the local community.

A quality children's services system that is accountable, sustainable, and flexible benefits all who are touched by the system.

Funders benefit by knowing that their money is spent efficiently and productively.

Service managers benefit by knowing that they have the ability to develop meaningful plans.

Service deliverers benefit by knowing that they are working in a sustainable environment.

Most important, children and their families benefit by knowing that they are receiving the services that they need and that the quality of those services is as good as they can be.

Finally, we must note that although each of these principles is individually important, their interdependence is equally crucial for a successful children's services system. As OMSSA has articulated in our work on human services integration, a system is a "set of related or interdependent parts which work together for a common purpose." More important, "any change you make in one element will have an impact on any other element" in that system.⁸

Put in terms of the children, we understand that a quality system requires proper funding and must reflect local needs. Similarly, a fully funded system is only effective when services and programs are based on a defined set of outcome measurements. In other words, Ontario's children will benefit most when all the necessary components of the early learning and child care services *system* are as strong as they can be.

⁸ HSI Committee, *A guide to thinking about human services integration*, 28.

Hand in hand: Our recommendations

For our vision to become reality, the province and municipalities must work together to move the children's services system forward. Only by working collaboratively will we succeed. Only by sharing our ideas and knowledge can we create a better Ontario for our community and our children.

In this spirit of collaboration, we offer a concrete and practical discussion of how to transform our vision into an accountable, sustainable, and flexible system of quality children's services.

Recommendation 1: Service quality

The province and municipalities hold a summit to identify common objectives and outcomes for the creation of a quality early learning and child care service system.

The province commits to funding quality assurance mechanisms to maintain high levels of quality throughout the entire early learning and child care service system.

The development of Ontario's quality early learning and child care service system must be based on evidence-based research both about quality systems and quality programming. Examples of such research include the Best Start Expert Panel on Quality and Human Resource, the Best Start Expert Panel on Early Learning, the OECD's benchmarks on child care, and the Quality by Design Project.

At the heart of our vision is the quality of services for children and their families across the entire service system. Regardless of the purpose of the services (accountability), the funding of the services (sustainability), or the implementation of the service (flexibility)—children still deserve to receive quality services based on established best practices.

The province itself has defined quality, through the 2007 report of the Expert Panel on Quality and Human Resources. There, the Panel described the four critical "building blocks" for creating a

province-wide system of quality early learning and care services for children. These include:

1. effective policies, sustained funding, and appropriate infrastructure
2. properly paid, qualified, and committed practitioners
3. evidence-informed, age appropriate programs and practices
4. parents who are partners in their children's early learning

Ontario's provincial and municipal partners share this vision for quality, even as different communities might have different opinions on how to achieve quality.

We all want quality, but we also face several "structural weaknesses" that prevent a quality early learning and child care system from emerging in Ontario. In the words of the Childcare Resource and Research Unit's Quality by Design Project, "common obstacles to high quality" include:

- lack of adequate financing
- unfavourable staff-to-child ratios
- poorly qualified and inadequately paid staff
- poorly developed and implemented educational theory⁹

This locally based observation was corroborated by a recent international study on child care. A UNICEF report noted that "the quality of early childhood education and care depends above all else on the ability of the caregiver to build relationships with children, and to help provide a secure, consistent, sensitive, stimulating, and rewarding environment." Canada, however, met only 1 of 10 benchmarks of minimum standards for early learning and child care.¹⁰

What is clear, then, is that quality directly results from proper and effective investments in the children's services system. More to the point, children benefit most when the outcome-based services they receive are supported by proper funding levels and are oriented to their local needs.

⁹ Childcare Resource and Research Unit Quality by Design Project. *Elements of a high-quality early learning and child care system*. 2006.

¹⁰ UNICEF. *The child care transition, Innocenti Report Card 8* (UNICEF Innocenti Research Centre, Florence, 2008).

Given these discussions of quality, the province and municipalities must work together to identify how to create a quality children's services system. They must jointly ask the question of what "quality" means for the early learning and child care system as a whole and for children individually. They must answer these questions by drawing on evidence-based research and best practices from within Ontario's municipalities and beyond. These joint conversations can help to form the basis for a broader accountability framework, as we discuss in the following section.

Recommendation 2: Shared accountability

The province and municipalities develop a shared accountability framework for the funding and delivery of an early learning and child care service system based on common definitions of terms and consistent measurement methods and formulas.

This shared accountability framework will include key indicators that focus on successful outcomes for children, their families, and the broader community.

Examples of these outcome indicators are:

- Increased levels of school readiness, as measured by the community's Early Development Instrument*
- Reduced proportion of children living in poverty in the community*
- Increased number of parents who can work because of the availability of subsidized child care in the community*

This framework will also include measures of funding inputs and service outputs, such as:

- Annual child care service costs per normalized child care space*
- Levels of investments in children's services per child in the community*
- Numbers of children receiving child care subsidies*
- Numbers of children receiving special needs resource services*

The province and municipalities will jointly identify these indicators based on available resources, such as the developmental trajectory defined in the MCYS Strategic Framework and the Early Development Instrument, as well as on other new community measures such as the Middle-years Development Instrument.

Finally, as they jointly develop this accountability framework with its associated output and outcome measurements, the province and municipalities must recognize that there are numerous other community influences on children. As such, the partners must understand how these broader contexts shape the experiences of children and families.

As partners in creating a service system for children, the province and municipalities have a shared responsibility to deliver high-quality programs and services effectively and efficiently.

To that end, we echo the Provincial-Municipal Review's call for a broad accountability framework for human services:

Simplifying and better managing roles and responsibilities within a shared accountability framework would place more emphasis on achieving better outcomes for people in Ontario rather than on process. It would also free up resources for individual communities' priorities. ***This objective is paramount and calls for an ongoing, collaborative partnership between the Province and municipalities.*** (emphasis added)¹¹

CMSMs and DSSABs are ready to develop this shared accountability framework with the province. They are eager to work with the province and with the wider community to develop service plans with service levels that reflect the actual needs and costs of delivering services to the community.

The key, however, is to understand the various components that comprise an accountability framework: the broad outcomes, funding inputs, and the service outputs.

Most important are the child and community outcomes. Here are the broadest questions with the largest implications: does the early learning and child care service system make a difference in the lives of the children and families receiving services? Do we see a clear benefit to the community?

The province and municipalities share responsibility for identifying these community outcomes not only for early learning and child care but also for the range of other human services that are interrelated with the needs of children. The presence of parental employment and income supports and opportunities for affordable housing are crucial ingredients in the recipe for healthy communities. Thus, as they develop a shared accountability framework for early learning and child care, the province and municipalities must be mindful of the broader human service system.

To achieve a set of commonly agreed-upon outcomes, the province and municipalities must identify commonly agreed-upon funding inputs and service outputs.

¹¹ Provincial-Municipal Review.

In terms of “inputs,” both the province and municipalities must clarify the levels of public money they are putting into a children’s early learning and child care service system. Having this transparency makes it easier for both partners—and the taxpaying public—to understand what is invested in the system. (A fuller discussion of funding sustainability follows in the next section.)

Those levels of investments also help to define measures of outputs, or the actual service delivery totals. While we believe that a shared accountability framework should emphasize outcomes, outputs remain important as a reference for the partners to identify how money was spent.

By establishing outcomes that are built on appropriate inputs and outputs, a shared accountability framework establishes the foundation for moving a children’s services system forward. When the province and municipalities articulate a shared vision of the desired outcomes for children—when they develop a common language of where they want to go and how they will get there—only then can they turn to discussing appropriate funding levels and local flexibility to achieving those outcomes.

The switch from needs-based testing to income testing for receipt of child care subsidies offers a clear example of how the absence of shared definitions and vision can pose challenges to the provincial-municipal partnership.

The switch to income testing was supposed to make child care subsidies available to a wider pool of families. OMSSA saw this as a good public policy that moved the province towards universal access to child care. What happened, however, was that as more families became eligible for subsidies, the number of applicants increased—and increased beyond the capacity of most municipalities to provide subsidy funds. This in turn expanded subsidy waitlists. To manage the growing waitlists, many municipalities began to target lower-income families for subsidy, bypassing higher-earning families—a move that directly countered the reason for the switch to income testing in the first place.

All of this would have been avoided had there been a closer alignment between the province and municipalities in the

implementation of income testing. Had there been a clearer shared understanding of the impact of income testing and a strategy and resources to deal with that impact, we would have seen a more consistent implementation of this policy with more consistent results. Municipalities would have had to adhere to the broad provincial policy intent of income-test universality rather than reverting to subsidy targeting.

This example reflects the current challenges within the provincial-municipal relationship. It also points to the solutions to overcoming these challenges, whereby the province and municipalities each clarify their strengths and responsibilities for achieving a healthy early learning and child care service system.

The province must come forward with an outcome-oriented policy agenda that is broad in scope and integrated across ministries, rather than an output-focused agenda fragmented across multiple program and ministry silos.

Municipalities must come forward with a willingness to manage an early learning and child care service system within the context of the broader human services system, rather than serve the community through siloed programs.

Together, the province and municipalities must share their knowledge of what works and what does not and what makes a difference to the people of Ontario. They must identify what they want to achieve for families and children, and draw on evidence-based data and research to help them reach their goals. They must, in short, create an accountability framework rich in dialogue and shared vision.

As the provincial and municipal partners develop common understandings of their individual responsibilities, new initiatives can move forward with both parties confident that their perspectives will be reflected.

Recommendation 3: Funding sustainability

The province declares its commitment to Ontario's children by fully funding an early learning and child care services system at sustainable levels. Such sustainable funding by the province must meet internationally accepted benchmarks for investments in children.

Funding sustainability must include:

- 1. a consistent, stable, and indexed, multi-year funding envelope based on a consistent and equitable formula that reflects true local costs of children's services*
- 2. capital funding to expand the children's service sector to meet local needs and to respond to the demands introduced by full-day early learning*
- 3. consistent, indexed funding to support appropriate wages for children's service workers*

These funding formulas must be jointly developed by the province and municipalities.

Sustainability must also include a commitment to the Best Start program, and the extension of funding supports beyond the program's current conclusion in 2010.

"Kids are our highest priority, declared the province's own Poverty Reduction Strategy. "By helping kids living in poverty get what they need to succeed, especially at school, the cycle of poverty can be broken."¹²

This laudable declaration must be linked, however, to a recognition that success in reducing child poverty levels is directly tied to sustainable levels of funding for early learning and child care services, as well as for other human services such as housing, homelessness services, and employment and income supports.

Sustainable funding means stable and predictable core funding that is not tied to specific, short-term initiatives. It means that the province and the municipalities agree upon a set of policy

¹² Cabinet Committee on Poverty Reduction. *Breaking the Cycle: Ontario's Poverty Reduction Strategy*.

outcomes for children and families—and then fund the system to achieve those outcomes.

If the outcomes are to reduce child poverty by 25 percent, then the system must be funded appropriately to enable the local service managers to meet that goal.

If the outcomes are to provide universal access to full-day early learning programs, then the system must be funded appropriately to enable the local service managers to meet that goal as well.

When we speak of sustainability, we focus on three points:

1. Base funding for the broad system
2. Capital funding
3. Wages

Base funding. There is the basic need for funding to support the broad children’s services system. Consistent, stable, indexed, multi-year funding allows for long-term collaborative planning. It increases the capacity of CMSMs and DSSABs to use resources to strengthen the child care service system.

To achieve our vision for child care and children’s services, the province must dedicate a consistent and sufficient proportion of its overall spending to children.¹³ It must declare that investments in children underpin the entire social and economic structure in Ontario and, in fact, lay the foundation for provincial prosperity.¹⁴

In addition to ensuring that the province’s children are fairly supported on a consistent basis, the province and municipalities must work to allocate that funding across the province using a consistent and equitably applied formula. Such consistent formulas are critical to effective service system management at the local level. Changing funding formulas disrupts long-term planning.

¹³ The 2008 UNICEF report on child care established 1 percent of Gross Domestic Product as the minimum standard. UNICEF. *The child care transition*.

¹⁴ See Roger Martin and Richard Florida, *Ontario in the Creative Age*. Martin Prosperity Report (Toronto: February 2009). See also James J. Heckman, “Investing in Disadvantaged Young Children is an Economically Efficient Policy.” Presentation to the Committee for Economic Development, The Pew Charitable Trusts, PNC Financial Services Group Forum on “Building the Economic Case for Investments in Preschool” (New York: January 10, 2006).

Furthermore, funding for any new provincial programs must be added to the underlying base funding rather than funded as separate annualized funding streams with separate annualized timelines. More to the point, by consolidating separate funding streams into a single funding envelope for the early learning and child care service system, the province will encourage administrative and planning efficiencies. It is far easier for municipalities to manage and plan for a service system when they can work with a complete and unified pot of funds for all their programs and services.

Sustainable and appropriate envelope funding is also necessary because CMSMs and DSSABs have significant financial investments in their local children's services system. In some cases, they pay 20 percent of costs, in others 50 percent, and still others they pay 100 percent of costs. Even in cost-shared programs, when true costs exceed the allocations, municipalities and districts will often make up the differences with additional funding. For less affluent municipalities, this additional burden can severely strain local budgets. Were funding formulas for children's services to be appropriately linked to sustainable levels, CMSMs and DSSABs would be spared the annual task of working with local councils to secure additional money for an underfunded system.

Through its very actions and policies over the past several years—through the switch to income testing for fee subsidies, through the construction of thousands of child care spaces, through the expansion of special needs resourcing—the province has already signalled its interest in creating an early learning and care system for Ontario's children.

Sustainability means that the province takes the next step to put new investments into this system—and to maintain the investments the province has already made in the Best Start Initiative.

Best Start has represented the most positive provincial vision for children's services to date, with the largest expansion in child care funding in more than a decade. The extension of Best Start funding after 2010 will mean that the high levels of intersectoral collaboration introduced by Best Start can continue to grow.

Communities have moved ahead with integrated initiatives, with high-level collaboration between the children's services and education sectors, and look forward to expanding these opportunities in the coming years.

By continuing the Best Start program, the province will continue to make high-quality early learning and child care accessible to children, enabling parents to enter the workforce with confidence.

By continuing the Best Start program, the province will give special needs children the supports they need, helping them take important steps forward.

By continuing the Best Start program, the province will make it clear to Ontario's youngest citizens and their families that it wants them to grow up in the healthiest, most supportive environments possible.

Capital funding. A sustainable system of children's services requires capital funding both to support existing spaces and for expansion of new ones. Throughout the province, there is a need for additional physical spaces for early learning and child care. Without government funding to support capital expansion, families will be forced to continue to rely on unlicensed, unregulated care to meet their child care needs.

This is particularly important in light of the Premier's Early Learning Advisor's forthcoming recommendations on full-day early learning.

Although full-day early learning will be a universal system with enough spaces created to serve those children participating, many four- and five-year-old children might require child care for the hours before and after their full-day early learning program. It is imperative, therefore, that the province commit to expanding physical space currently used for the provision of licensed child care to serve these children needing such "wrap-around" care. Capital investments must help to secure the long-term sustainability of these spaces.

By working within a shared accountability framework, the province and municipalities will be able to identify how to mitigate any cost impacts of a new full-day learning system and how to support the inevitable service growth pressures.

Capital funding is also essential to help existing centres renovate or retrofit to meet or exceed all licensing and health and safety standards. Families and children have the right to expect that their child care and early learning centres meet all health and safety standards.

Sustainable wages. Sustainability is linked directly back to issues of quality through the issue of wages. A sustainable system of children’s services must properly support those Ontarians who work directly with our children and families. The provincial Expert Panel on Quality and Human Resources clearly stated that “low wages are having a serious effect on the quality and stability of the early learning and care workforce.” The Panel noted that “parents are becoming increasingly concerned about the impact of staff changes on their children.”¹⁵ Continuity of care is almost impossible in an environment where staff constantly rotate out of the sector in search of better wages elsewhere.

By creating a College of Early Childhood Educators, with the requirement for workers to obtain College credentials, the province has signalled its desire to professionalize the ECE workforce. It is a logical progression, then, to professionalize the wage structure for these workers as well through on-going, sustainable funding support.

Finally, there are economic merits to creating a sustainable system that supports the people delivering the services with appropriate base funding and with consistent, indexed cost-of-living increases. By investing in early learning and child care workers at sustainable levels, and by ensuring that their wages remain competitive through indexed increases, the province will help more staff to stay within the sector. Higher staff retention leads to lower replacement and retraining costs for service deliverers. As well, rising wages bring with them higher provincial income tax contributions and greater levels of local spending.

¹⁵ Expert Panel on Quality and Human Resources. *Investing in quality: Policies, practitioners, programs, and parents. A four-point plan to deliver high-quality early learning and care services in Ontario.* 2007.

Recommendation 4: Local flexibility

Ontario's early learning and child care service system, jointly developed by the province and municipalities, must include a standard menu of services with the allowance for local flexibility in implementation.

Sustainable funding formulas for this system must be jointly developed by the province and municipalities and must be based on actual local costs of providing care and service.

Municipalities must engage the children's programs and services within their mandate and beyond to develop broad integrated community human service plans.

Ontario municipalities are too diverse for a 'one size fits all' approach. Differences in such factors as population and geographic size, demographics, economic activity and location present each municipality with a unique set of challenges. Where province-wide solutions are needed, they must be sensitive to these important differences.¹⁶

This affirmation of local variation from the Provincial-Municipal Review encapsulates our vision for Ontario's early learning and child care service system.

Families in all parts of Ontario should expect to have access to a standard menu of early learning and child care services, but what those services look like and how they are delivered might vary from community to community.

Municipalities need local flexibility in creating their system because they know best what the strengths and needs of their community are.

Local flexibility takes on a number of forms.

From a funding perspective, for example, a "one-size-fits-all" funding formula does not reflect the considerable differences in child care costs across the province. Provincial funding is often generally based on the assumption that the cost of a preschool

¹⁶ Provincial-Municipal Review.

space is identical in Windsor and Wawa. In reality, these costs are different.

The province and municipalities must work together to determine the actual cost of providing care and to support the development of formulas that more accurately reflect the cost of providing care. A more accurate understanding of the cost of child care would enable the province to provide a more accurate, efficient, and equitable allocation to municipalities.

Flexibility must also be linked to the simplification of the complex funding reporting mechanisms. CMSMs and DSSABs manage a children's services system that includes more than fifteen provincial funding streams. Most of these funding streams are restricted to particular groups or program targets, which severely limits the ability of CMSMs and DSSABs to meet the needs of their local population.

Finally, flexibility must be extended to program planning and implementation. The demographic and economic differences in communities across Ontario mean that child care and children's services needs differ from community to community. Yet programs are often rolled out with specified activities and targets attached—leaving little opportunity for the CMSM or DSSAB to tailor the deliverables to the local needs.

Note that flexibility is intimately tied to shared accountability. One might say that flexibility can only succeed when embedded within a shared accountability framework. Only when the province and municipalities share a common vision of a program's purpose can the individual communities tailor that program to local needs.

Having this balance between shared accountability and local flexibility is why the Best Start unconditional grant worked so well. With the unconditional grant from the province, the communities developed local service plans identifying how they would spend the money within the early learning and care system.

By treating each community differently, but equitably, the province encouraged local flexibility within an agree-upon framework. CMSMs and DSSABs planned thoughtfully, consulting broadly

about how to most effectively strengthen the service system in ways that reflected local community needs and issues. Each community used its grants slightly differently, but all used them to accomplish goals that they would otherwise not have been able to. And in all cases, grants that were intended for the good of the children were directly applied for the good of the children.

The Best Start unconditional grant, then, demonstrated the benefits of collaborative partnering—the province received what it wanted and the municipalities had the flexibility to deliver in a way that worked for them. Best Start also demonstrated the high degree of community accountability that emerges from local partnering across the service system.

Community human service planning. A child needing a subsidized child care space might live in a social housing apartment with parents who also require employment and income support services. The human service needs for this family do not exist in isolation, but are interrelated; they need an integrated service system that addresses the local community needs.

The Provincial-Municipal Review supports this notion for locally flexible community service plans that include “a range of social services [and] include community outcome measures and targets to ensure services are achieving the right results.”¹⁷

Here, flexibility is imperative, because, as communities develop comprehensive local visions for children, CMSMs and DSSABs must be able to tailor their programs to integrate with these community plans as well as with other, internal municipal plans.

Child care and children’s services represent but one component of the broader basket of human services for which municipalities are responsible. CMSMs and DSSABs are simultaneously accountable to the policy and legislative directives of the provincial government and to the broader human services portfolio within the municipal government. They must be sure that municipal children’s services policies meet vertical provincial guidelines while being horizontally consistent with services in other municipal

¹⁷ *Provincial-Municipal Review.*

departments. Having local flexibility enables CMSMs and DSSABs to achieve outcomes while also working in cooperation with other programs.

We must note, however, that truly integrated service planning and delivery can only happen when the basket of services being managed is comprehensive. To that end, there are a wide range of public programs and services that currently fall outside the recognized children's services mandate of the CMSMs and DSSABs, including, Ontario Early Years Centres, Parenting and Family Literacy Centres, Data Analysis Coordinators, Early Literacy Specialists, Family Literacy Programs, and programs for children with special needs.

Standing in the way of comprehensive community planning is the fact that several of these provincial programs are accountable to different ministries with different funding schemes and program timelines—even as they have similar and even overlapping mandates. Consider the example of Family Resource Centres, Ontario Early Years Centres, and Parent-Child Literacy Centres.

Family Resource Centres (FRCs) provide a broad range of parenting programs and early learning services that reflect local need and diversity for children and families. Ontario Early Years Centres (OEYCs) also provide a broad range of parenting and early learning programs and services for families and children, tailored to local needs. The difference is that whereas the CMSMs and DSSABs control the funding for the Family Resource Centres, the Ministry of Children and Youth Services controls the funding for the OEYCs—and both OEYCs and FRCs are usually managed by local (non-municipal) agencies.

Complicating the issue further, the Ministry of Education separately funds Parenting and Family Literacy Centres, community-based programs offering services to those of the FRCs and OEYCs. Now, communities face the situation of having three valuable parenting, literacy, and early learning programs—each looking quite similar to the others and each funded by separate government entities: Family Resource Centres by the local CMSMs and DSSABs, OEYCs by

Ministry of Children and Youth Services, and Parenting and Family Literacy Centres by the Ministry of Education.

Having these and other programs be part of a single, municipally managed system would reduce service duplication and improve service delivery, and would facilitate integrated community planning. Moreover, it would build on local strengths of CMSMs and DSSABs to respond to the specific and diverse needs of the children and families in their communities.

Finally, we must specifically note the full-day early learning program currently under development through the Premier's Early Learning Advisor. As with the other programs mentioned above, it is crucial for the continuity of service delivery that the full-day early learning program be fully integrated with the municipally managed children's services system. Setting up a system for full-day early learning that is integrated with the current child care and children's services system is productive and efficient, putting the needs of families and children at the core.

Conclusion

Research on early childhood development is increasingly confirming the value in quality early learning and child care services. Positive experiences in a child's first years of life have neurological and developmental benefits, social and emotional benefits, and academic benefits.¹⁸

Children raised within stimulating and nurturing environments begin school more ready to learn and proceed through school with more advantages.

Communities that support quality early childhood experiences have greater social cohesion and fewer social pathologies.

The path to poverty reduction, economic success, and overall prosperity begins with positive experiences in the home, the child care centre, nursery school, doctor's office, recreation centre, neighbourhood park, and every other place where children grow up.

We know this, yet we also know that we could do so much more for our children. We could invest in our children in ways that are smarter, in ways that make the most sense for them. We could invest in our children in ways that address their strengths and needs, in ways that look to a common vision for their success.

This paper has laid out practical and concrete recommendations for making these investments. We have laid out recommendations that will bring together the province and municipalities as government partners, working together for all the children in our communities.

We have laid out these recommendations because now is the time to strengthen this provincial-municipal partnership. The Provincial-Municipal Review, the Cabinet Committee on Poverty

¹⁸ The list of research reports includes Margaret N. McCain, and Fraser Mustard. *Reversing the Real Brain Drain: The Early Years Study Final Report*. Government of Ontario: Children's Secretariat, 1999; Margaret N. McCain, Fraser Mustard, and Stuart Shanker. *Early Years Study 2: Putting science into action*. Toronto: Council on Early Child Development, 2007; Robert G. Lynch. *Exceptional Returns: Economic, Fiscal, and Social Benefits of Investment in Early Childhood Development*. Washington, DC: Economic Policy Institute, 2004; Clyde Hertzman and Lori G. Irwin. *It Takes a Child to Raise a Community: "Population-based" Measurement of Early Child Development*. HELP Research Brief No. 1. Vancouver: Human Early Learning Partnership, 2007.

Reduction, the Premier's Early Learning Advisor—these developments all declare the readiness of the province and municipalities to move forward together.

The foundations for this partnership were put in place almost a decade ago and now must be reinforced to reflect a new sense of system sustainability, local flexibility, and service accountability.

Within this new streamlined and sustainable system of early learning and child care, the province and municipalities will bring forth new initiatives, such as full-day early learning, and will expand current ones, such as Best Start.

Children and their families will benefit from a sustainable, flexible, and accountable system for quality early learning and child care services, managed by municipalities. In such a system, more children will access child care when they need it, more families will have special needs resources available to them when they need it, and more communities will provide high-quality early learning programs for their residents.

The result will be improved outcomes for children and families, and an increased quality of life for all of Ontario's citizens.