

September 2015

Regional Municipality of Waterloo Administration and Finance Committee Public Input Meeting

On September 15, 2015, KPMG submitted their Final Report of their Service Review Recommendations to the Region of Waterloo set out in Report CA-IAU-15-06. A summary of the recommendations are outlined below. The full report can be accessed here:

<http://www.regionofwaterloo.ca/en/regionalGovernment/resources/AF/CAO-IAU-15-06.pdf>.

The Atkinson Centre submitted a deputation to council, delivered by Dr. Emis Akbari.

Dr. Emis Akbari is an Early Development Policy postdoctoral fellow at the Atkinson Centre and a mother of two.



KPMG's Recommendations

Recommendation #1:

That the Region develop a detailed plan to phase out the five Regionally owned Children's Centres over a 5 year period, using the savings to expand the number of subsidized spaces available to be delivered by other childcare providers in the community.

Recommendation #2:

That the Home Child Care operation should continue at present, with these changes over time: a) Home Child Care should be expanded in areas as required to support the transition plan for the Children's Centres. b) Encourage / facilitate the formation of a full service home child care agency in the community, serving all age groups.

Implications Regarding Implementation:

There are a number of potential implications that Council should consider regarding the recommendations. These relate to the Consolidated Municipal Service Manager (CMSM) role, the Region's role as a leader in supporting high quality Early Learning and Care services in the community and additional financial considerations.

1. The role of the Consolidated Municipal Service Manager involves a wide range of responsibilities, including directly operating services. Removing the 'lived experience' component of the CMSM role could place the Region of Waterloo at a disadvantage in understanding and supporting the broader system.



2. The Early Learning and Child Care system is currently at capacity and may not have the ability to accommodate this increase in spaces without significant investment in physical infrastructure to construct new buildings or renovate existing space. There is a shortage of Registered Early Childhood Educators across the Province of Ontario which has implications for availability of a trained labour force to support growth.
3. It is uncertain if demand exists to increase fee subsidy spaces by approximately 200. At the present time there is no waiting list for fee subsidy and demand has been somewhat stable for the past two years. Without the addition of new Provincial funding to support this growth adding 200 subsidized spaces will create additional funding pressures for the Region of Waterloo.
4. The directly operated Children's Centres have high quality ratings, provide service to high needs populations, and set benchmarks/best practices for other child care operators. All sites meet the exacting standards required to be accredited as demonstration sites for the HighScope curriculum approach to early childhood education. Only four other programs have achieved this standing of 120 in the Province of Ontario and eleven across Canada. Benchmarking is an important factor in sustaining current levels of quality.
5. A caution should be noted that basing child care solely on cost has a negative effect on quality. High quality child care is more costly given the direct correlation between staff qualifications, salary levels, equipment and physical space. The economic and social benefits gained from high quality, accessible child care include: increased tax revenue and lower social assistance costs because more parents are working; local economic stimulus linked to child care's labour intensive nature; better outcomes for children and potential mitigation of cost associated with social support later in life.
6. Should any of the current funding allocations be reduced there will be an impact on the Provincial funding provided to the Region of Waterloo. This could result in further erosion and destabilization of the ELCC service system.

Below is the deputation submitted to council.

September 30th, 2015

The Atkinson Centre for Society and Child Development
Ontario Institute for Studies in Education
University of Toronto
Dr. Emis Akbari

The Atkinson Centre, at the Ontario Institute for Studies in Education at University of Toronto is dedicated to research informing public policy and educator practice in the area of early childhood development, education, and care. Our recommendations reflect the considerable national and international scientific evidence supporting the standards of quality essential to developmental programming for young children.

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KPMG's recommendations to phasing out the five municipally operator child care centres, thereby eliminating 250 proven high quality child care spaces in the Region of Waterloo, with the recommendation of increasing regulated home care will result in negative effects for children, families, and the ECE workforce.

With the closure of five municipally operated centres, 250 regulated child care spaces will be removed adding to the already over 2,100 children currently on waitlists in the Region of Waterloo. Research has shown, that with shortages of regulated, affordable child care spaces, jurisdictions see an increase in unregulated home care participation. With the recent deaths of toddlers in unlicensed care, considerable attention should be paid to curtailing this direction. Furthermore increasing restrictions on an underground daycare market is not a replacement for quality, accessible child care (see Appendix A).

The recommendation of the KPMG is to expand regulated home child care to support the transition of closing municipally operated centres. Home based child care is a cheaper alternative to centre-based care but it is not better. Research has demonstrated that regulated child care centers display higher mean quality as gauged by provider education and the intensity of structured learning activities, compared to home-based settings. Furthermore, caregiver training has been shown to be the structural characteristic that most consistently predicts observed global quality. Regulated and non-regulated home care have consistently lower trained caregivers compared regulated child care centres. Particularly for children at risk, the use of lower quality care results in increases cumulative risk and negatively impacts child and family outcomes.

Municipal child care is not care like any other. It addresses the critical shortage of care for infants, it responds to children with exceptional needs and to families in crisis. It fills a gap that centres in the community and home care do not have the capacity to provide. In closing the Region's centres you will be leaving many of these families with no place to go.

What is more, academic readiness at school entry has been shown to have persistent effects on later scholastic achievement and socio- emotional regulation.^{i, ii} As such, research has focused on the contextual factors that influence school preparedness prior to school entry, specifically the home and child care environments. Positive effects on cognitive child outcome have been found with regulated high quality child care utilizationⁱⁱⁱ, with larger gains seen for children from lower income brackets. A recent review of the early childhood education literature has concluded that high quality early childhood education is effective at reducing child externalizing behavioural problems^{iv}. Taken together, for those in the lower SES brackets, affordable high quality child care has a direct impact on the children who spend their days in these programs, and the quality of the child care programs attended impacts their functioning. Furthermore, the availability of child care may further impact families by alleviating stress, reducing maternal depression, and improving the quality of family interactions. Therefore, access to good quality child care may serve as a protective buffer for low income children and their families^v.

The KPMG recommends the purchasing of 200 subsidized child care spaces from other agencies. Currently the Region of Waterloo does not have a waiting list for child care subsidy, and demand has been stable for the past few years. The KPMG's recommendation is to invest into subsidized child care spaces where a demand does not exist at the expense of the availability of regulated child care spaces, where the demand does exist.

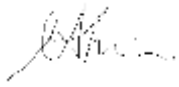
With regards to the workforce, research in Ontario has demonstrated that ECEs in public sector jobs show increased job benefits, and for the most part an increase in salary compared to the private sector. ECEs show a preference to work in the public sector, and report that having a union increases their professional status^{vi}. Closing five municipally operated centres will transition these ECEs back to lower paying jobs, with little benefits and job security.

As stated in the KPMG's caveats, the directly operated Children's Centres have high quality ratings, providing service to vulnerable populations, and set benchmarks for best practices for other child care operators. With these centres having an impeccable record of high quality for the last 12 years, they are a benchmark of quality in the region and are a crucial factor for the sustainment of existing levels of quality for other operators.

Research has reliably demonstrated that the benefits of preschool outweigh the costs, indicating a prudent economic investment. Indeed high-quality preschool programs are amongst the most cost-effective of the social programs,^{vii} by increasing maternal labour force participation, increasing tax revenue, and reducing social transfers.

Lastly this Region is recognized across Canada as a child care manager leader. Its unique partnerships with the school boards and training colleges are but two examples.⁶ The capacity of the region to innovate will be compromised if the closures proceed. It is particularly short-sighted to make these changes just as the province is moving to reorganize child care for younger children.

The evidence does not support the KPMG's recommendations to close municipally operated high quality regulated child care spaces. It is a poor recommendation, which will disrupt the lives of the children and families involved. It eliminates child care spaces in the face of a demand for more spaces. It replaces good quality programming with poorer programming. I say this not only as an academic, but as a mother who relies on child care. Our children deserve better. We can do better.



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- ⁱⁱ Reynolds, A.J., Bezruczko, N. (1993). School adjustment of children at risk through fourth grade. *Merrill-Palmer Quarterly (1982-)*, 457-480.
- ⁱⁱⁱ Magnuson, K.A., Ruhm, C., Waldfogel, J (2007). Does prekindergarten improve school preparation and performance? *Economics of Education Review*, 26(1), 33-51.
- ^{iv} Schindler, H.S., et al. (2015). Maximizing the potential of early childhood education to prevent externalizing behavior problems: A meta-analysis. *Journal of School Psychology*, 53(5), 243-263.
- ^v Côté, S.M., et al. (2008). Nonmaternal care in infancy and emotional/behavioral difficulties at 4 years old: moderation by family risk characteristics. *Developmental Psychology*, 44(1), 155.
- ^{vi} Janmohamed, Z., McCuaig, K., Akbari, E., Gananathan, R., & Jenkins, J. (2014). Schools at the Centre: Findings from Case Studies Exploring Seamless Early Learning in Ontario. Toronto, ON: Atkinson Centre for Society and Child Development, OISE/University of Toronto.
- ^{vii} Fortin, P., et al. Impact of Quebec’s universal low-fee child care program on female labour force participation, domestic income, and government budgets.

APPENDIX A

CBC News – Unlicensed daycares in Canada 'a black hole,' advocate says

<http://www.cbc.ca/news/canada/unlicensed-daycares-in-canada-a-black-hole-advocate-says-1.3086500>

The Toronto Star - Daycare crisis: Ontario inspections reveal numerous violations

http://www.thestar.com/news/gta/2013/11/23/daycare_crisis_ontario_inspections_reveal_numerous_violations.html

The Toronto Star - 30 years of toddler deaths in unlicensed child care

http://www.thestar.com/news/ontario/2013/09/25/ontario_inquests_urge_more_rules_for_home_daycare.html