



River Parkway Children's Centre
40 Cleary Ave., Ottawa ON K2A 4A1



River Heights Children's Centre
1515 Tenth Line Rd., Ottawa ON K1E 3E8

February 26, 2015

Mayor & Members of Council
City of Ottawa
110 Laurier Ave. West
Ottawa ON K1P 1J1

Dear Mayor & Members of Council:

Re. 2015 City of Ottawa Budget – Child Care

The Board of Directors of River Parkway and River Heights Children Centres (a licensed, non-profit child care agency) would like to provide to Ottawa City Council its concerns regarding the 2015 City of Ottawa budget, particularly as it affects the provision of child care services in Ottawa. While we appreciate that there appears to be no net change in the 2015 budget allocation for child care services compared to last year, we have the following concerns:

1. The 2015 budget document assumes that inflation (estimated at \$500,000) can be absorbed within the existing budget and will be offset as agencies continue to transition to Full Day Kindergarten. This implies that there will be savings to child care centres as a result of Full Day Kindergarten being implemented in schools. These savings have not been identified.

If the assumption is that these savings will come from closed licensed child care spaces we believe this would be the wrong approach, as we know that the demand for licensed child care far outstrips available supply. Indeed, we believe that the City should assist in re-deploying resources into needed pre-school and toddler programs. If we are to continue to meet the demand for licensed child care in our community, then the funding to meet inflationary cost pressures will need to come from elsewhere.

2. The budget document notes that operational savings (\$2,598,000) occurred in 2014 as a result of lower utilization of subsidized child care resulting from the implementation of Full Day Kindergarten and associated parental income loss. We find it regrettable that the City chose to garner savings in this sector instead of redeploying these resources to meet the outstanding need for licensed child care in our city. Council should be aware

that less than 20% of children under age 6 whose parents are working (the vast majority of families) are able to access licensed child care. While Full Day Kindergarten provides access to child care for 4 and 5-year-olds in a school setting, there still remains a great amount of unmet need for licensed child care for pre-school and toddler children.

3. The budget documents notes that in 2014 the City garnered \$140,000 in savings in Municipal Fee Subsidies as the school boards, through the implementation of Full Day Kindergarten, took on some municipal clients. As this is the municipal share of these subsidies (the Province provides 80% of the funds for these subsidies) the actual impact on families would have been a loss of \$700,000 in subsidies.

It is unfortunate that the City did not use these funds to assist other qualified families, as the demand for municipal subsidies continues to outpace supply. We believe the better choice would have been to assist those families who qualify to access the child care they need.

4. Lastly, the details of how the City intends to spend its 2015 child care budget will become available when the 2015 Child Care Service Plan is presented to City Council, expected later this spring. As a minimum we believe the development of that Service Plan should engage *all* stakeholders (to date it has not involved school boards). It should also set as its objective providing as much licensed child care spaces as possible to better meet the identified needs of our community, rather than continue the loss of licensed child care spaces and cash the savings, as has happened over the past 3 years.

In the past the child care community has counted on the City of Ottawa and its predecessor municipalities as allies in supporting, creating and maintaining accessible, affordable licensed child care in our community. It concerns us to see the recent trend of the City to reduce its commitment to supporting child care when the demand for licensed child care in our community continues to outpace supply. We hope that this new City Council will change this trend and work with its partners to meet the needs of families.

We trust you will take these concerns into account in setting the 2015 Child Care Services budget and look forward to your response on these issues.

Yours truly,



Alex Cullen
Chair, Board of Directors
River Parkway & River Heights Children's Centres

cc Ottawa Child Care Association