

2. 1999 PER DIEM AND ADMINISTRATION RATES FOR COMMUNITY CHILD CARE AGENCIES

COMMITTEE RECOMMENDATIONS AS AMENDED

That Council approve:

- 1) **The per diem and administration rates for community child care agencies as presented in the column entitled 1999 Recommended Rates in Schedule A retroactive to January 1 99.**
- 2) **An increase of 1.5 % in salaries and wages for all community child care agencies and home child care provider rates.**
- 3) **The provision of the Region's 20% share of a 1% pay equity adjustment for 1999 for not for profit community child care agencies, and that funding to cover these costs (Recommendations 2 and 3) be drawn from the Child Care Contingency Fund, which has a current balance of approximately \$1.5 million.**

DOCUMENTATION:

1. Commissioner, Social Services Department report dated 27 May 99 is immediately attached.
2. Extract of Draft Minute, Community Services Committee of 17 June 99 follows the report, and includes a record of all votes.

REGION OF OTTAWA CARLETON

REPORT

RÉGION D'OTTAWA CARLETON

RAPPORT

Our File/N/Réf.
Your File/V/Réf.

DATE 27 May 1999

TO/DEST. Co-Coordinator
Community Services Committee

FROM/EXP. Social Services Commissioner

SUBJECT/OBJET **1999 PER DIEM AND ADMINISTRATION RATES FOR
COMMUNITY CHILD CARE AGENCIES**

DEPARTMENTAL RECOMMENDATIONS

That the Community Services Committee recommend Council approve;

- 1) The per diem and administration rates for community child care agencies as presented in the column entitled 1999 Recommended Rates in Schedule A retroactive to January 1 99.**
- 2) An increase of 1.5 % in salaries and wages for all community child care agencies and home child care provider rates conditional on receipt of provincial cost sharing.**
- 3) The provision of the Region's 20% share of a 1% pay equity adjustment for 1999 for not for profit community child care agencies once approved by the Province.**

PURPOSE

The purpose of this report is to request approval of the per diem and administration rates for community child care agencies for 1999.

BACKGROUND

The 1999 budget for Child Care contains funds to provide 6,348 subsidised spaces. Eighty-eight percent of these spaces are purchased from 128 community agencies. The remaining twelve percent are provided through programs directly operated by the Region. Community agencies are required to provide the Department with an annual budget submission. These documents are

reviewed by staff using Provincial and Regional guidelines and per diem and administration rates are then determined for each program.

1999 BUDGET ISSUES

Salary and wages increases

In 1998, Regional Council approved a 2.21% increase in salary and wages for for-profit community child care agencies and a 2.21% increase in the rates paid to home child care providers. Council also approved a 2.21% increase in compensation conditional on cost sharing from the Province for non-profit child care agencies. A 0.442% increase representing the Regional share of the approved 2.21% increase was given to non-profit community child care agencies. To date the Ministry of Community and Social Services has refused to pay their 80% share of the increases for community child care agencies. The 2.21% increase was equivalent to the increase in salaries and wages for child care staff working in municipally operated programs.

The 1999 recommended per diem and administration rates in Schedule A do not reflect any increase in salaries and wages. Staff in municipally operated child care programs have received a 1.5% increase for the 1999 contract. Many child care agencies have requested an increase but their salaries and wages have been maintained at the 1998 approved level. Staff in community child care agencies feel strongly that they should have a similar increase in salary to insure that the gap between themselves and regional staff does not widen. Cost of an across the board increase of 1.5 % to salaries and wages as well as home child care provider rates is estimated at \$480,000 gross with little likelihood of any Provincial cost sharing. The regional share is \$96,000. Social services is recommending a 1.5% increase in salaries and wages for all community child care agencies and home child care provider rates conditional on receipt of provincial cost sharing.

Community child care agencies have completed a survey on non-mandatory benefits/leave provision. The purpose of the survey was to gather information on the practices across the child care community in order to decide on next steps of the review. Social Services is now in the process of tabulating this information and will present a report later this Fall.

Pay equity

Child care programs are still covered under the pay equity legislation and are required to increase their total payroll by 1% in 1999 in order to work towards achieving pay equity. The Ministry of Community and Social Services has just provided the funds to non-profit child care programs to cover a retroactive pay equity payment in salaries and wages for 1996, 1997 and 1998. This adjustment will be incorporated into the pay equity grants in 1999. The total value of this adjustment is \$1,463,876 annually with the Region's ongoing 20% share being \$292,775. The Province has not indicated that it will make any further increases to the pay equity grants in 1999. A 1% adjustment for 1999 would cost approximately \$226,000 with the Region's share being \$45,200. The department recommends the provision of the Region's 20% share of a 1% pay equity adjustment for 1999 for not for profit community child care agencies once approved by the Province.

Table 1 below shows how the pay equity adjustment for 1996, 1997 and 1998 has affected the salary of teachers and supervisors in community preschool programs as compared to municipal programs. These salaries include wage subsidies and pay equity. Some agencies, however, are not eligible for pay equity and some components of the wage subsidy and other agencies that expanded their staff or opened after wage subsidy funds were capped, do not have access to these funds.

Table 1

Impact of Pay Equity Adjustment on Salaries of Teachers and Supervisors in Preschool Programs 1999					
	Low (\$)	High (\$)	Average (\$)	Median (\$)	Municipal ranges (\$)
Teachers	17,961	38,437	29,847	31,334	31,568-38,575
Supervisors	25,758	51,511	40,371	42,548	39,971-46,767

The impact of the pay equity adjustment was calculated on a sample of 34 out of the 58 preschool programs from which the Department purchases services. Salaries for supervisors and teachers were analysed. To arrive at the teachers salaries, teachers and senior teachers salaries were averaged for each agency. The chart shows the low, high, average and median of these salaries. In addition, municipal salary ranges are also shown for comparison.

Uncontrollable costs

The main uncontrollable costs faced by agencies had to do with increased rent and/or property taxes. Agencies were able to accommodate a portion of these increases within their existing budgets. Schedule A shows that a number of programs had uncontrollable costs which could not be accommodated within the 1999 budget.

Starting September 1999, the Ottawa-Carleton District School Board is phasing in a three year rent increase for programs located within schools. The full increase will bring the cost per square foot to \$5.25 which represents the Board's operating costs for the space in schools. This year's increase will be effective September 1, 1999. Property taxes also increased for some programs due to the 1998 property tax assessment. Increases due to higher rent and property taxes account for approximately \$13,500 and \$22,000 respectively.

Algonquin College Early Learning Centre increased the number of operating days by 14 days. This agency had closed for two weeks during the summer as part of the long term strategy but this measure has been detrimental to their financial situation. Florence Child Care Centre has had difficulty in filling its program and was operating with a minimum number of staff. However this year they are operating at close to full capacity and have developed a budget according to Regional guidelines. This has meant increased costs to account for salaries of a Supervisor and a clerk.

The employer's portion of mandatory benefits was up slightly. At the same time the exemption on the Employer's Health Tax for some child care agencies allowed them to offset these costs. Overall this situation created additional costs to the Region

The total of uncontrollable increases included in the recommended rates is \$170,691 or 0.47% of the budget for purchased Child Care services. Some of these costs, however, were offset by savings to Employer's Health Tax, etc. The difference between the increases and the decreases in costs is \$70,595 which represents the total increase for the 1999 per diem and administration rates for community child care agencies. The Region will request provincial cost sharing on this amount, however it is unlikely that additional funds will be approved.

1999 FULL FEE RATES

There have been no across the board cost of living increases for child care agencies since 1992. Community child care agencies have been instructed to develop their budgets to reflect a 0% increase. During this period, they have also worked with Social Services to apply long term strategies to permanently reduce spending by \$1,039,000. This money was used to maintain 707 jobsOntario spaces. In the end, the child care community not only sustained the jobsOntario spaces, but an additional 74 spaces were created. The efforts of agencies need to be commended as several made difficult decisions and implemented permanent changes.

In spite of the fact that the Region has allowed increases for uncontrollable costs for child care agencies over those years, many community child care agencies charge a higher rate to full fee paying families than the per diem rate received from the Region for the same child care space. The difference covers a variety of costs such as higher salary levels than approved by the Region, higher hourly rates of pay for casual employees, additional staffing than approved by MCSS to cover ratios while children are in the playground, non-mandatory benefits, enriching the program by purchasing more equipment and supplies than approved by the Regional guidelines, offering special classes to children and spending more on food. The difference between the fees charged to parents and the per diem rate varies from zero to \$7.76.

The 128 community child care agencies in Ottawa-Carleton operate 247 programs serving 9,040 children. The age of the children varies from 6 weeks to 10 years old. Thirty three percent (33%) of these spaces are full fee paying spaces. Table 2 identifies the percentage of programs charging more to their full fee paying families than the per diem and administration rate received from the Region.

Table 2

Difference between Full Fee Rates and Regional Per Diem and Administration Rates 1999		
Difference	Number	Percentage (%)
No difference	48	19
Less than \$1.00	75	30
Between \$1.00 and \$2.00	52	22
Between \$2.00 and \$3.00	29	12
More than \$3.00	43	17
Total	247	100

Community child care agencies have identified that it is becoming increasingly difficult to operate within a budget where controllable costs have remained at the 1992 level.

FAMILY RESOURCE SERVICES

As of April 1, 1999, the Region assumed responsibility for the management of Special Needs programs and Family Resource Centres. The level of funding for these agencies have remained the same since 1996. At that time they were asked by the Ministry of Community and Social services to decrease their overall budget by 6%. These agencies will be submitting a budget to the Region for the first time this year.

FINANCIAL IMPACT

The Region has budgeted \$310,000 for additional costs in its 1999 budget for purchased services from community child care agencies.

- Uncontrollable increases for the 1999 per diem and administration rates for community child care agencies total \$70,595;
- The region's 20% share for an increase of 1.5% in salaries and wages for all community child care agencies and home child care provider rates amounts to \$96,000. This expenditure is conditional on the Province providing its share of the increase.
- The cost of providing the region's share towards the 1% pay equity adjustment for not for profit child care agencies in 1999 is \$45,200. This expenditure would be incurred once the Province agrees to provide the pay equity adjustment for 1999.
- The amount of \$292,775 is needed to cover the Region's 20% share for the annualisation of the pay equity adjustment for previous years.

Total cost of these increases is \$504,570 of which \$310,000 can be accommodated within the 1999 budget. The additional \$194,570 is available in the Child Care Contingency Fund but will need to be built into the year 2000 budget.

*Approved by
Dick Stewart*

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FINANCE DEPARTMENT COMMENT

The following summarizes the information as presented in this report.

1. Per Diem and Administration Rates

Uncontrollable costs, net of savings, total \$70,595. Should the province agree to subsidize these costs, 80%, the cost to the region would be \$14,119. The department has indicated that it is unlikely that the province will subsidize these costs, however.

2. Salary and Wage Increase

An across the board increase to salaries and wages of 1.5% would increase expenditures by \$480,000 per year. Should the province subsidize this increase, at a rate of 80%, the cost to the Region would be \$96,000. The department has indicated that there is little likelihood of provincial subsidy.

3. Pay Equity

The Region's share (20%) of the pay equity increases for 1996, 1997 and 1998, approved by the Province, is \$292,775.

Approval of the request, in this report, for an additional 1% pay equity increase in 1999 would cost the Region approximately \$226,000. Should the province extend its subsidy (at 80%) to these expenditures, the net cost to the Region would be \$45,200. The department is assuming that the region will provide its share of the funding, in any case.

4. Summary

	<u>Gross Cost</u>	<u>Cost Net of Provincial Subsidy</u>	<u>Departmental Recommendations</u>
1) 1999 Per Diem and Admin. Rates	\$ 70,595	\$ 14,119	\$ 70,595
2) 1.5% Salary and Wage Increase	\$ 480,000	\$ 96,000	\$ 96,000
3) Pay Equity			
- Increase for 1996, 1997 and 1998	\$1,463,875	\$ 292,775	\$ 292,775
- 1% increase for 1999	<u>\$226,000</u>	<u>\$45,200</u>	<u>\$ 45,200</u>
Total	<u>\$ 2,240,470</u>	<u>\$ 448,094</u>	<u>\$ 504,570</u>
Less: Budget Provision			<u>\$ 310,000</u>
Transfer from Contingency			<u>\$ 194,570</u>

*Approved by T. Fedec
on behalf of the Finance Commissioner*

Schedule A

10-Jun-99

Agency/Program Name	1998 Final Rates	1999 Requested Rates	1999 Recommended Rates	% Increase/ Decrease	Comments
INFANT PROGRAMS					
Bernadette Child Care	\$46.57	\$46.49	\$46.59	0.04%	
Children's Castle	\$49.65	\$49.65	\$49.65	0.00%	
Elizabeth Park	\$43.36	\$45.89	\$43.53	0.39%	
Heritage	\$48.19	\$52.57	\$48.29	0.21%	
Little School	\$46.60	\$46.76	\$46.42	-0.39%	
Orleans Child Care	\$49.39	\$49.49	\$49.00	-0.79%	
Tunney's	\$46.51	\$47.14	\$46.52	0.02%	
Youville	\$67.24	\$67.24	\$67.24	0.00%	
TODDLER PROGRAMS					
ABC Pinehurst	\$42.88	\$44.80	\$43.74	2.01%	Taxes and mandatory benefits
Aladin Preschool	\$35.15	\$35.44	\$35.13	-0.06%	
Barrhaven	\$36.09	\$36.09	\$36.09	0.00%	
Bernadette Child Care	\$33.05	\$33.07	\$33.07	0.06%	
Canadian Mothercraft	\$41.49	\$43.84	\$41.44	-0.12%	
Capital Day Care	\$45.42	\$46.03	\$45.48	0.13%	
Centrepointe Day Care	\$41.08	\$40.80	\$40.80	-0.68%	
Children's Castle	\$37.34	\$37.34	\$37.34	0.00%	
Cornerstone	\$42.26	\$42.04	\$41.55	-1.68%	Error in wages
Cumberland Hub	\$37.75	\$37.78	\$37.75	0.00%	
Dow's Lake	\$33.73	\$38.30	\$33.73	0.00%	
Early Beginnings	\$40.04	\$40.04	\$40.04	0.00%	
Elizabeth Park	\$38.23	\$38.98	\$38.47	0.63%	
Greenboro Day Care	\$36.99	\$36.99	\$36.99	0.00%	Offset cost for kindergarten program
Heritage Preschool	\$43.33	\$45.23	\$43.41	0.18%	
Little School	\$41.34	\$41.32	\$41.19	-0.36%	
Orleans Child Care	\$49.39	\$49.49	\$44.00	-10.91%	
Pineview	\$39.74	\$40.24	\$39.74	0.00%	
Providence	\$36.98	\$37.24	\$37.27	0.78%	
River Heights	\$40.39	\$40.98	\$40.86	1.16%	Rent
Sandy Hill	\$41.37	\$41.37	\$41.37	0.00%	
Sunflower Co-op	\$44.97	\$44.07	\$44.07	-2.00%	Offset for increase in preschool program
Sur un Nuage	\$31.73	\$32.93	\$31.77	0.13%	
Tunney's Day Care	\$36.04	\$37.81	\$36.07	0.08%	
Youville	\$47.64	\$12.01	\$47.64	0.00%	
INFANT/TODDLER PROGRAMS					
Algonquin	\$54.89	\$55.74	\$54.50	-0.71%	Additional days of operation (14)
Centretown Parents' Co-op	\$62.54	\$63.90	\$62.54	0.00%	
Children's Place (Kanata)	\$37.22	\$37.55	\$37.55	0.89%	Rent, property taxes
Children's Place (Carling)	\$45.07	\$45.16	\$45.16	0.20%	
Colonel By Child Care	\$56.47	\$57.69	\$56.56	0.16%	
Dalhousie Parents'	\$59.15	\$60.03	\$59.15	0.00%	
Glebe Landsdowne	\$60.24	\$62.39	\$60.24	0.00%	
Petites Frimousses 2	\$45.21	\$45.43	\$45.21	0.00%	
Garderie Renée Tassé	\$61.67	\$61.13	\$60.95	-1.17%	Removal of maternity leave provision
Rideau Child Care	\$48.08	\$48.22	\$47.47	-1.27%	EHT exemption
Variety	\$55.25	\$55.24	\$54.59	-1.19%	EHT exemption
Wellington Ward	\$65.38	\$66.13	\$65.38	0.00%	

Schedule A

10-Jun-99

Agency/Program Name	1998 Final Rates	1999 Requested Rates	1999 Recommended Rates	% Increase/ Decrease	Comments
PRESCHOOL PROGRAMS					
ABC Oxford	\$30.60	\$32.36	\$31.24	2.09%	Taxes and mandatory benefits
A to Z Day Care	\$26.14	\$25.98	\$25.94	-0.77%	Taxes lower than anticipated
Aladin Preschool	\$26.77	\$27.06	\$26.99	0.82%	
Algonquin	\$33.05	\$34.76	\$31.10	-5.90%	
Alpha 3 - 12	\$22.96	\$25.87	\$22.96	0.00%	
Andrew Fleck	\$29.82	\$29.82	\$29.82	0.00%	
Au Ballon Rouge	\$27.74	\$28.47	\$27.41	-1.19%	Additional days (3)
Barrhaven	\$29.52	\$29.52	\$29.52	0.00%	
Bernadette Child Care	\$27.12	\$27.20	\$27.13	0.04%	
Bishop Hamilton	\$33.20	\$34.12	\$34.12	2.77%	Less days (7)
Bridlewood	\$27.15	\$27.38	\$27.24	0.33%	
Canadian Mothercraft	\$29.86	\$29.81	\$28.00	-6.23%	Program capacity increased
Capital Day Care	\$35.79	\$36.31	\$35.85	0.17%	
Carleton Memorial	\$26.41	\$26.72	\$26.32	-0.34%	Offset cost of increase in School age program
Centrepointe Day Care	\$29.67	\$29.75	\$29.75	0.27%	
Centretown Parents'	\$36.94	\$37.74	\$36.94	0.00%	
Children's Castle	\$23.35	\$23.35	\$23.35	0.00%	
Children's Centre	\$28.38	\$28.76	\$28.55	0.60%	Cleaning contract
Children on the Hill	\$23.96	\$24.45	\$23.96	0.00%	
Children's Place (Kanata)	\$26.36	\$26.70	\$26.58	0.83%	Rent, property taxes
Children's Place (Carling)	\$29.88	\$29.99	\$29.99	0.37%	
Churchill-Carling	\$30.01	\$33.30	\$31.19	3.93%	Occupancy costs, taxes
City View Day Care	\$25.56	\$25.56	\$25.56	0.00%	
Colonel By Child Care	\$35.20	\$35.75	\$35.15	-0.14%	
Cumberland Hub	\$27.32	\$27.34	\$27.32	0.00%	
Dalhousie Parents'	\$34.05	\$34.50	\$34.05	0.00%	
Dow's Lake	\$26.71	\$30.17	\$27.76	3.93%	Conversion of preschool spaces to toddlers
Early Beginings	\$29.97	\$29.97	\$29.97	0.00%	
Early Learning Child Care	\$29.53	\$30.23	\$29.48	-0.17%	Additional days (1)
Edgewood Day Care	\$35.12	\$36.49	\$35.69	1.62%	Taxes
Elizabeth Park	\$29.38	\$30.26	\$29.54	0.54%	
Fairview Child Care	\$25.69	\$25.70	\$25.69	0.00%	
Florence Day Care	\$24.59	\$28.38	\$27.96	13.70%	Additional staff & food costs
Glebe Parents' Day Care	\$34.11	\$35.20	\$34.11	0.00%	
Greenboro	\$28.42	\$28.42	\$28.42	0.00%	Offset cost of spaces at Children's Centre
Heritage Preschool	\$34.11	\$34.67	\$34.22	0.32%	
Kanata Care	\$32.20	\$34.18	\$32.20	0.00%	
Little School	\$30.81	\$32.80	\$31.17	1.17%	Rent
Orleans Child Care	\$25.36	\$49.49	\$28.15	11.00%	Offset by reductions in Infants and Toddlers
Overbrook Day Care	\$29.82	\$29.82	\$29.82	0.00%	
Pineview	\$28.43	\$28.43	\$28.43	0.00%	
Providence	\$26.83	\$27.32	\$27.02	0.71%	4% vacation pay for casuals
Garderie Renée Tassé	\$39.16	\$38.00	\$37.93	-3.14%	Removal of maternity leave provision
Rideau Child Care	\$29.42	\$29.57	\$29.22	-0.68%	
Rideau Valley	\$28.91	\$29.35	\$28.98	0.24%	Rent
River Heights	\$28.62	\$29.37	\$29.09	1.64%	Rent
River Parkway Preschool	\$26.64	\$27.06	\$26.65	0.04%	

Schedule A

10-Jun-99

Agency/Program Name	1998 Final Rates	1999 Requested Rates	1999 Recommended Rates	% Increase/ Decrease	Comments
Rockcliffe	\$30.81	\$29.07	\$29.07	-5.65%	Offset increases in KGT and School age programs
St. Anthony's	\$23.50	\$23.97	\$23.50	0.00%	
Sandy Hill	\$34.16	\$34.16	\$34.16	0.00%	
Sunflower Co-op	\$31.05	\$31.28	\$31.28	0.74%	Offset by decrease in Toddler program
Sur un Nuage	\$25.24	\$26.13	\$25.31	0.28%	
Tunney's	\$28.96	\$30.32	\$28.98	0.07%	
Tupper Tots	\$28.76	\$29.45	\$28.90	0.49%	
Variety	\$38.84	\$39.18	\$38.53	-0.80%	
Wellington Ward	\$40.11	\$40.53	\$40.11	0.00%	
YM/YWCA	\$23.64	\$23.64	\$23.64	0.00%	
Youville Preschool	\$31.15	\$8.88	\$31.15	0.00%	
PRE-KINDERGARTEN PROGRAMS					
Barrhaven - Kennevale	\$25.80	\$25.80	\$25.80	0.00%	
KINDERGARTEN PROGRAMS					
Aladin Preschool	\$18.65	\$19.14	\$18.79	0.75%	
Alpha 3 - 12	\$13.60	\$17.71	\$16.46	21.03%	Decrease in capacity
Andrew Fleck	\$26.27	\$26.27	\$26.27	0.00%	
Au Ballon Rouge	\$18.92	\$19.33	\$18.69	-1.22%	
Barrhaven - Kennevale	\$18.52	\$18.52	\$18.52	0.00%	
Barrhaven - Malvern	\$18.45	\$18.45	\$18.45	0.00%	
Beacon Learning Centre	\$18.53	\$18.39	\$18.37	-0.86%	Additional days (2)
Bridlewood	\$20.61	\$20.61	\$20.61	0.00%	
Brin d'herbe St. Anne	\$15.55	\$20.41	\$15.73	1.16%	
Brin d'herbe Francojeunesse	\$15.55	\$20.41	\$15.73	1.16%	
Brin de Soleil	\$13.80	\$21.99	\$13.80	0.00%	
Broadview	\$18.89	\$19.62	\$19.14	1.32%	
Bytown Co-op	\$22.32	\$23.04	\$22.96	2.87%	Less days (8)
Carleton Heights	\$19.02	\$18.89	\$19.08	0.32%	Less days (2)
Carleton Preschool	\$13.25	\$13.55	\$13.26	0.08%	Less days (2)
Carlington	\$19.88	\$20.19	\$19.85	-0.15%	
Centretown Parent's (McNabb)	\$23.30	\$23.80	\$23.30	0.00%	
Children's Castle	\$17.04	\$17.04	\$17.04	0.00%	
Children's Centre	New	\$21.19	\$21.19	New	Offset by decrease in Greenboro program
Children's Place (Kanata)	\$20.70	\$21.05	\$20.81	0.53%	
Connaught	\$19.53	\$20.35	\$19.52	-0.05%	
Copeland Park	\$18.11	\$20.14	\$18.26	0.83%	
Des Pionniers	\$12.45	\$12.43	\$12.43	-0.16%	
Devonshire	\$19.12	\$19.60	\$19.26	0.73%	Less days (2)
Elizabeth Park	\$21.92	\$22.49	\$22.06	0.64%	
Fairview	\$19.38	\$19.39	\$19.38	0.00%	
Fallingbrook	\$22.60	\$22.81	\$22.52	-0.35%	Additional days (1)
Forest Valley	\$19.84	\$20.43	\$20.14	1.51%	
Gardenway	\$22.15	\$22.15	\$22.15	0.00%	
Glebe Corpus Christie	\$24.21	\$24.93	\$24.21	0.00%	
Glebe Hopewell	\$24.21	\$24.93	\$24.21	0.00%	
Glebe Landsdowne	\$24.21	\$24.93	\$24.21	0.00%	
Greenboro School Age	\$21.12	\$20.51	\$19.80	-6.25%	
Holy Spirit	\$22.61	\$22.61	\$22.61	0.00%	

Schedule A

10-Jun-99

Agency/Program Name	1998 Final Rates	1999 Requested Rates	1999 Recommended Rates	% Increase/ Decrease	Comments
Hunt Club Park	\$17.55	\$18.12	\$17.63	0.46%	Less days (2)
Kanata March Montessori	\$26.26	\$26.82	\$26.26	0.00%	
Katimavik	\$23.39	\$23.39	\$23.39	0.00%	
La Clémentine (Jan-Aug)	\$15.69	\$19.35	\$15.97	1.78%	Decrease in number of days
La Clémentine (Sept-Dec)	\$15.69	\$19.45	\$18.79	9.70%	Decrease in days, increase in clerical hours
Le Carrefour	\$12.39	\$12.39	\$12.34	-0.40%	
Le Cerf-Volant	\$19.07	\$20.34	\$19.06	-0.05%	
L'hirondelle	\$15.87	\$19.59	\$15.95	0.50%	
Mountshannon	\$22.17	\$22.17	\$22.17	0.00%	
Orleans Child Care	\$21.32	\$26.55	\$21.78	2.16%	
Overbrook Day Care	\$16.62	\$16.62	\$16.62	0.00%	
Petites Frimousses	\$17.17	\$18.39	\$17.64	2.74%	Offset by decrease in Headstart
Pineview	\$23.15	\$23.15	\$23.15	0.00%	
Ravenhill	\$19.18	\$21.89	\$18.97	-1.09%	
Reksap	\$18.51	\$18.87	\$18.75	1.30%	Rent and additional days (2)
Rideau Valley	\$22.91	\$23.21	\$22.92	0.04%	
Rockcliffé	\$23.20	\$23.72	\$23.72	2.24%	Offset by decrease in preschool program
St. Francis	\$22.10	\$22.11	\$22.10	0.00%	
St. Marguerite	\$19.64	\$20.26	\$19.99	1.78%	Salary annualization
St. Thomas More	\$19.64	\$19.75	\$19.99	1.78%	Salary annualization
Stonehaven	\$22.17	\$22.17	\$22.17	0.00%	
Sur un Nuage	\$19.62	\$20.40	\$19.63	0.05%	
Trillium	\$22.45	\$22.36	\$22.36	-0.40%	Additional days (1)
Vanier Coop	\$21.80	\$22.56	\$21.72	-0.37%	Additional days (1)
Vista	\$19.53	\$19.52	\$19.54	0.05%	Less days (1)
Whitehaven	\$17.90	\$18.06	\$17.98	0.45%	
YM/YWCA	\$23.65	\$23.65	\$23.65	0.00%	
SCHOOL AGE PROGRAMS 4 - 5					
Alpha 3 - 12	\$8.37	\$9.63	\$8.37	0.00%	
Brin d'herbe St. Anne	\$12.39	\$15.60	\$12.54	1.21%	
Brin d'herbe Francojeunese	\$12.39	\$15.60	\$12.54	1.21%	
La Clémentine	\$13.34	\$18.02	\$16.10	20.69%	Reduction in capacity and number of days
Des Pionniers	\$8.63	\$8.55	\$8.55	-0.93%	
SCHOOL AGE PROGRAMS 6 - 9					
Aladin	\$13.33	\$13.84	\$13.52	1.43%	
Alpha 3 - 12	\$7.64	\$8.87	\$7.64	0.00%	
Andrew Fleck	\$13.35	\$13.19	\$12.90	-3.37%	
Au Ballon Rouge	\$10.48	\$10.59	\$10.37	-1.05%	Additional days (3)
Barrhaven - Kennevale	\$13.47	\$13.47	\$13.47	0.00%	
Barrhaven - Malvern	\$12.56	\$12.56	\$12.56	0.00%	
Brin d'herbe St. Anne	\$12.18	\$12.77	\$12.32	1.15%	
Brin d'herbe Francojeunese	\$12.18	\$12.77	\$12.32	1.15%	
Brin de Soleil	\$10.94	\$17.09	\$10.95	0.09%	
Broadview	\$10.58	\$11.01	\$10.67	0.85%	
Carleton Heights	\$11.39	\$11.59	\$11.49	0.88%	
Carleton Memorial	New	\$13.69	\$13.69	New	Offset by reduction in preschool program
Carleton Preschool	\$6.82	\$7.31	\$6.84	0.29%	Less days (2)
Carlington	\$12.10	\$12.53	\$12.08	-0.17%	

Schedule A

10-Jun-99

Agency/Program Name	1998 Final Rates	1999 Requested Rates	1999 Recommended Rates	% Increase/ Decrease	Comments
Children's Centre	\$12.55	\$12.85	\$12.82	2.15%	Rent
Children's Place (Kanata)	\$14.06	\$14.36	\$14.17	0.78%	
Connaught	\$13.86	\$14.41	\$13.85	-0.07%	
Copeland Park	\$10.60	\$11.57	\$10.69	0.85%	
Des Pionniers	\$6.99	\$6.93	\$6.93	-0.86%	
Devonshire	\$11.50	\$11.72	\$11.60	0.87%	
Fallingbrook	\$12.62	\$12.82	\$12.58	-0.32%	
Forest Valley	\$11.07	\$11.46	\$11.24	1.54%	
Gardenway	\$14.54	\$14.54	\$14.54	0.00%	
Glebe Corpus Christie	\$12.38	\$12.55	\$12.38	0.00%	
Glebe Hopewell	\$12.38	\$12.55	\$12.38	0.00%	
Glebe Mutchmore	\$12.38	\$12.55	\$12.38	0.00%	
Greenboro School Age	\$13.88	\$13.23	\$13.88	0.00%	
Holy Spirit	\$14.15	\$14.15	\$14.15	0.00%	
Hunt Club Park	\$12.29	\$12.85	\$12.54	2.03%	
Katimavik	\$14.99	\$14.99	\$14.99	0.00%	
La Clémentine (Jan-Aug)	\$11.24	\$12.85	\$11.54	2.67%	Decrease in number of days
La Clémentine (Sept-Dec)	\$11.24	\$13.29	\$12.53	11.47%	Decrease in days, additional clerical hours
Le Cerf-Volant	\$10.02	\$10.63	\$10.02	0.00%	
L'hirondelle	\$8.44	\$9.17	\$8.48	0.47%	
Mountshannon	\$14.64	\$14.64	\$14.64	0.00%	
Orleans Child Care	\$15.33	\$21.32	\$15.70	2.41%	
Overbrook Day Care	\$14.59	\$14.61	\$14.59	0.00%	
Pineview	\$14.61	\$14.12	\$14.61	0.00%	
Ravenhill	\$13.15	\$11.13	\$12.03	-8.52%	EHT exemption,
Reksap	\$10.47	\$10.84	\$10.73	2.48%	Rent and additional days (2)
Rideau Valley	\$13.88	\$14.02	\$13.85	-0.22%	
Rockcliffe	\$15.89	\$16.32	\$16.32	2.71%	
St. Francis	\$13.99	\$13.99	\$13.99	0.00%	
St. Marguerite	\$12.63	\$12.67	\$12.47	-1.27%	
St. Thomas More	\$12.63	\$12.30	\$12.47	-1.27%	
Stonehaven	\$14.52	\$14.52	\$14.52	0.00%	
Trillium	\$12.22	\$12.17	\$12.17	-0.41%	Additional days (1)
Vanier Coop	\$15.02	\$15.39	\$14.96	-0.40%	
Vista	\$11.69	\$11.69	\$11.69	0.00%	
Whitehaven	\$9.44	\$9.50	\$9.50	0.64%	
YM/YWCA	\$10.61	\$10.61	\$10.61	0.00%	
HEADSTART					
Le Carrefour	\$11.41	\$11.45	\$11.38	-0.26%	
Children's Aid	\$40.39	\$45.79	\$40.39	0.00%	
Cornerstone	\$31.92	\$32.00	\$31.76	-0.50%	
Hawthorne Meadows	\$20.52	\$20.64	\$20.52	0.00%	
Heatherington	\$23.26	\$23.65	\$23.19	-0.30%	
Les Petites Frimousses	\$28.98	\$29.12	\$28.67	-1.07%	Offset increase in Kindergarten program
Nanny Goat Hill	\$15.95	\$15.95	\$15.95	0.00%	
Pinecrest Queensway	\$18.27	\$18.22	\$18.28	0.05%	
Queensway	\$15.88	\$15.88	\$15.88	0.00%	
West-End Co-op	\$16.83	\$19.40	\$16.81	-0.12%	

Schedule A

10-Jun-99

Agency/Program Name	1998 Final Rates	1999 Requested Rates	1999 Recommended Rates	% Increase/ Decrease	Comments
YM/YWCA	\$18.63	\$18.63	\$18.63	0.00%	
SUMMER CAMPS					
Andrew Fleck	\$21.44	\$23.69	\$21.44	0.00%	
Carleton Memorial	\$18.96	\$18.69	\$17.33	-8.60%	
City View	\$18.41	\$18.42	\$18.41	0.00%	
HOME CHILD CARE					
Andrew Fleck Child Care	\$6.12	\$6.12	\$6.12	0.00%	
Canadian Mothercraft	\$6.42	\$6.52	\$6.42	0.00%	
Centrepointe	\$5.82	\$5.82	\$5.82	0.00%	
Children's Village	\$6.01	\$6.10	\$6.06	0.83%	Mandatory benefits
City View	\$5.67	\$5.67	\$5.67	0.00%	
Community Child Care	\$5.92	\$6.28	\$5.93	0.17%	
Glebe Parents'	\$6.18	\$6.40	\$6.18	0.00%	
Gloucester Child Care	\$5.94	\$6.11	\$5.99	0.84%	Property tax
La Maisonnée	\$5.76	\$5.76	\$5.73	-0.52%	
Metcalf Private Home	\$5.27	\$5.41	\$5.27	0.00%	
Odawa	\$6.75	\$6.84	\$6.84	1.33%	Mandatory benefits
Wee Watch (Nepean)	\$5.06	\$5.15	\$5.10	0.79%	
Wee Watch (Kanata)	\$6.47	\$6.71	\$6.53	0.93%	
Wee Watch(Orleans)	\$6.08	\$6.84	\$6.08	0.00%	

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1999 PER DIEM AND ADMINISTRATION RATES FOR COMMUNITY
CHILD CARE AGENCIES

- Social Services Commissioner's report dated 27 May 99

The Committee heard from Ms. Gayle Preston, Director, Child Care Services, who outlined the staff report. She indicated there are three issues facing agencies in 1999: uncontrollable costs, cost of living increases and pay equity. The net impact of uncontrollable costs is \$71,000 which the Province is being asked to cost-share; there are no indications the Province will agree to cost share the cost of pay equity, estimated to be 20% of \$276,000. With respect to salary increases, Ms. Preston indicated agencies have requested a 1.5% increase, and the Region's share would be \$96,000; this is also conditional upon provincial cost-sharing, which is not anticipated.

The Committee Chair, A. Munter asked why the Department is not recommending the Region show leadership and put forward its 20% to lever a contribution from the Province. Ms. Preston responded by saying this did not represent a significant amount when looking at individual salaries and that the Department was prepared to move ahead.

Shelley Bird (President, CUPE Local 2204, Childcare Workers of Eastern Ontario)

Ms. Bird expressed concern with the fact the Department's recommendations are conditional upon provincial cost sharing. In 1998, the child care community requested a 2.21% wage increase and early childhood educators in non-profit sector received a wage increase of .0442%, which translated into \$40-\$60 dollars more per child care worker for a full year. In some cases, this slight increase actually translated into a decrease in net income since it put the worker into the next income tax bracket. Mr. Bird pointed out that, apart from this slight increase and a one-time pay equity adjustment, child care workers in the non profit have not received a wage increase since 1994.

Ms. Bird continued by saying that early childhood educators in the non profit sector are witnessing a steady erosion in their incomes, as well as Council's retreat from its historic commitment to wage parity and quality child care. The recommendations will place early childhood educators at the mercy of two levels of government unwilling to ensure adequate wages are paid to those, mainly women, who work with young children. Child care workers are growing weary of the pass the buck game, and would like the Region to show the leadership and the responsibility it has shown to its own employees. The staff recommendations leave the community with the distinct impression that Council wants to maintain the appearance of its commitment to early childhood educators, while at the same time avoiding financial responsibility by passing it to the next level of government.

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Ms. Bird asked why the economic needs of women are always shunted to the bottom of priority lists. Women often ignore their personal needs in order to provide extra things for their families and often “go without” in order for others to have what they need. She asked that Council approve a 1.5% cost of living increase with no strings attached and a 1% pay equity adjustment for 1999. With this practical and financial support, child care workers will be in better position to lobby the Province for what is rightly due to them. The Region should send a message that there is no excuse to put the needs of women at the bottom of the budgetary lists year after year with promises that their needs will be met when everything else is paid for.

Councillor L. Davis asked what would be the impact of a Motion calling for the removal of the words “conditional upon receipt of provincial cost funding”, and whether the budget could assume this responsibility. Ms. Preston referred her to a Table prepared by the Finance Department, showing that the impact of the departmental recommendations total \$500,000. Included in the 1999 budget was \$310,000, leaving a shortfall of \$195,000 with the department’s recommendations. If the department were to go ahead with the 1.5% pay increase, the full amount, plus the 1% for pay equity, this would add another \$600,000: none of this funding is in the child care budget. Replying to a further question from Councillor Davis about discussions with the Province, Ms. Preston indicated little progress has been made, and likely things will not move forward until a new Minister is appointed.

Councillor W. Byrne posed a number of questions to clarify whether the Region is responsible for providing salary increases to not-for-profit agencies. Ms. Preston clarified that, in 1998, the decision was made to provide a 2.21% increase to those agencies, as they were not eligible for pay equity grants, but that recommendation was not made in 1999. With respect to pay equity, the Province has provided a 1% grant retroactive to 1996, and this has been annualized. Councillor Byrne posited that the results of pay equity and cost-of-living increases are the same, i.e., workers are only getting a .442% increase, as opposed to 2.21% in 1998: in 1999, the chances of getting 1% for pay equity is non-existent. Ms. Preston indicated that, while the Province has not approved cost-of-living increases since 1993, it has provided pay equity grants up to 1998.

Councillor Davis put forth a Motion calling for Recommendation 2 to be modified, deleting the words “conditional upon Provincial cost sharing” and that Recommendation 3 be modified to delete the words “once approved by the Province”. She also asked if she had to identify where the funding was to come from and whether any of these actions would hinder staff’s negotiations with the Province. Commissioner D. Stewart replied this is now a political issue and it must be dealt with politically, as other avenues have been exhausted.

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Pat Williams, Ottawa-Carleton Child Care Council (OCCCA)

Ms. Williams began by saying the Region seems to have abandoned its commitment when it comes to Purchase of Service agreements with non-profit partners in the community. Recognition of uncontrollable costs and valuable staff seem to have been abandoned. Regional child care centres have already achieved pay equity and salary increases for the past 2 years. Many centres are required to absorb uncontrollable costs; benefits, rent, food costs, insurance premium increases and money for repairs and program costs have all been denied.

Three years ago, the child care centres were required to reduce their operating budgets by 2.21% to retain 700 Jobs Ontario spaces. Ms. Williams said this means budgets have been trimmed to the bone, and there is no more fat to trim.

Ms. Williams spoke about centres trying to put money aside for relocation being penalized through uncontrollable costs. This lack of recognition will force centres to make cuts in areas that will directly affect the quality of care children receive. She pointed out that regional staff have had pay increases and also received cost-of-living increases for the past two years, whereas staff in the not-for-profit sector have not. These must be considered as two separate issues; funding for pay equity must come either from an increase in per diem rates or from wage subsidy dollars. She asked that the Region fund salary increases immediately and increase its leadership role. This will ensure that the partnership established over the years between the Region and the child care community will continue.

Denise Tremblay, Danielle Galipeau, Regroupement des Services de garde de langue française

Denise Tremblay said the francophone community has been singing the same song for the past 10 years, that francophone centres are falling behind, and full-fee payers pay higher rates to subsidize other clients. Danielle Galipeau spoke about the need to re-distribute subsidized spaces, and for a centralized waiting list for child care services. She expressed the hope that concrete solutions could be found, noting these are essential for the survival of francophone centres.

Councillor Byrne asked what would be the cost of a 1.5% wage increase for not-for-profit centres. G. Preston replied that 1.5% for all sectors represents \$480,000 gross. Chair Munter said \$96 000 has been set aside, leaving a remainder of \$384 000; a 1.5% pay equity increase would cost \$181,000.

Councillor Davis put forward a Motion calling for Recommendations 2 and 3 to be modified by removing references to increases being conditional upon provincial cost

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sharing in both instances; she proposed that this funding be drawn from the Child Care Contingency Fund.

Councillor Byrne proposed that Recommendation 2 be amended to provide a 1.5% increase in salary and wages for all community child care and home care providers, a 1.5% increase in pay equity rates for not-for-profit centres, and that Recommendation 3 be deleted. She commented that people should get paid equally for work of equal value, and that regional child care employees' salaries should set a precedent for all others. When asked to explain the rationale for increasing the percentage to 1.5%, Councillor Byrne indicated this is to address the gap between not-for-profit and regional employees which is growing every year. Ms. Preston noted that the workers with the lowest salaries are those in the for profit programs and home child care providers, and neither of these groups receive grants. Councillor Byrne agreed to withdraw her Motion since Recommendation 2 covered the three groups.

Councillor H. Kreling inquired where the \$565,000 would be taken from. Commissioner Stewart replied it would come from the Contingency Fund which has traditionally been used to ensure the Region had its share of funding set aside for additional subsidized spaces and for contributions to capital expenditures.

Councillor D. Holmes spoke in support of Councillor Davis' Motion. She pointed out that a new Capital Reserve Fund, to be funded by Regional Development Charges should be used for operating costs. The \$1.5 million in the reserve fund should be used immediately and staff should look at new methods of funding to help community groups.

Councillor Kreling said he could not support the Motion, as this represents a larger policy issue and requires policy discussions. He felt that taking \$1.5 million from the reserve fund now will mean having to do it again in two years. Councillor Byrne expressed her support, expressing her belief that children are society's biggest investment and Council must put its money where its mouth is. Chair Munter noted there are pay equity problems across the country and mostly in women-dominated fields. In addition, parents clearly understand the link between wages and quality of care and see both as key issues.

Moved by L. Davis

That the Community Services Committee recommend Council approve:

- 1. The per diem and administration rates for community child care agencies as presented in the column entitled 1999 Recommended Rates in Schedule A retroactive to January 1, 1999;**

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2. **An increase of 1.5% in salaries and wages for all community child care agencies and home child care provider rates.**

- 3) **The provision of the Region's 20% share of a 1% pay equity adjustment for 1999 for not for profit community child care agencies, and that funding to cover these costs (Recommendations 2 and 3) be drawn from the Child Care Contingency Fund, which has a current balance of approximately \$1.5 million.**

CARRIED, as amended