

# **Child Care During the Pandemic: Ontario**

A Case Study to Accompany "Child Care in Post-Pandemic Canada"

Peter Jon Mitchell September 8, 2020



## **OVERVIEW**

Unprepared and uncertain about the duration of the economic shutdown, the child-care sector in Ontario was deeply affected by the COVID-19 crisis. What can be learned from the experience and what lessons can be applied in the future should a second wave of the virus return to Ontario?

The province of Ontario shuttered most licensed child-care services in response to the pandemic. According to the Ministry of Education 2019 annual report on child care, there were 5,523 licensed child-care centres accounting for 446,596 spaces in the province.1 Ontario also had a network of 124 licensed home-childcare agencies overseeing 7,923 approved homes.<sup>2</sup> In addition to licensed care, many parents also rely on independent home cares, relatives, and other options. The ministry does not publish data on non-licensed care.

According to 2019 Statistics Canada data, 54 percent of children in Ontario under the age of six were in non-parental child care. The chart below indicates the type of non-parental child care in which children were enrolled.

TABLE 1: Type of child-care arrangement among those in non-parental care, household population aged zero to five years

Type of Care Among Those in Non-parent Care	
Daycare centre/preschool	45.6
Relative other than parent	33.6
Non-relative in child's home	5.5
Family child care home	15.5
Before- or after-school program	13.3
Other arrangement	3.5

Note: Respondents selected all that applied resulting in a sum exceeding 100%

Source: Statistics Canada. Table 42-10-0005-01 Type of child care arrangement, household population aged 0 to 5 years

Calculations by author based on Stat Can Table 42-10-0004-01 & Table 42-10-0005-01

Starting on March 17, child-care services within public schools began to close. The Ministry of Education permitted emergency child-care services for families of frontline workers.

Like many provinces, the lockdown and reopening of child-care services has proved challenging, exposing shortcomings in the current system.

Ontario Ministry of Education, "Early Years and Child Care Annual Report 2019," 2019, table 2, 12, http://www.edu.gov.on.ca/childcare/ EarlyYearsChildCareAnnualReport2019.pdf.

<sup>&</sup>lt;sup>2</sup> Ontario Ministry of Education, "Early Years and Child Care Annual Report 2019," table 3, 12.

### **CHALLENGES**

As in other provinces, providers are concerned about health risks to children and to themselves, while also concerned about their financial viability. Providers are disappointed by the lack of clear and timely communication from the province. The pandemic has highlighted existing disparities in the province's treatment of various child-care sectors.

**Health and Safety.** Child-care providers were concerned with receiving timely instruction regarding health and safety regulations in preparation for reopening. That information came with only a few days' notice. Announcing the reopening raised public expectations, but home cares and centres required time to prepare for welcoming children back. Additionally, some parents and providers in the home-care and centre-based sectors were reluctant to return to service. Provincial officials, however, suggested that in announcing the reopening date, facilities retained the flexibility to determine their own timeline for return to service.<sup>3</sup>

**Economic Impact.** The shutdown created financial uncertainty among many providers. In Ontario, providers were prevented from reallocating designated funds to pay employees during the shutdown. Reports surfaced that some providers continued to charge fees to hold spots. The province soon prevented the collection of fees to protect parents, but this well-meaning measure interfered with arrangements between parents who voluntarily paid all or part of their fee to offset the economic harm to their home-child-care provider. In this sense, the province had interfered with agreeable arrangements between some providers and parents.

Carolyn Ferns of the Ontario Coalition for Better Child Care, an advocacy group for publicly funded, universal care, estimated that the operating costs of emergency child-care services were two or three times as high as pre-pandemic costs.<sup>4</sup> Reopening restrictions on the number of children in centre-based care reduced revenue from parent fees while increasing costs associated with meeting new regulations. The province promised funding for protective equipment, cleaning, and staffing costs but restricted user fees to pre-pandemic levels. News reports suggest some municipalities have been slow to disburse provincial funds, creating regional inequalities.5

**Communication.** The crisis has been marked by uncertainty, and this has created challenges in communication between the province and providers. Ontario is the only province where licensed childcare services are managed through Consolidated Municipal Service Managers or District Social Services Administration Boards (CMSMs/DSSABs). Communication from the province regarding funding was directed to CMSMs/DSSABs, creating an additional layer between the province and providers.

<sup>3</sup> CBC News, "Ontario Government Set to Provide Funding to Child-Care Centres across the Province," June 12, 2020, https://www.cbc.ca/news/canada/ toronto/ontario-government-funding-day-care-centres-1.5610950.

<sup>&</sup>lt;sup>4</sup> Carolyn Ferns on Norman Wilner, "We're Not Ready to Reopen Child Care," Now What, June 16, 2020, https://nowtoronto.com/culture/toronto-notready-to-reopen-child-care/.

<sup>&</sup>lt;sup>5</sup> Paola Loriggio, "Inconsistent Funding Delays Daycare Reopening in Some Ontario Municipalities, Group Says," Global News, July 27, 2020, https:// globalnews.ca/news/7220621/coronavirus-ontario-child-care-centres/.

**Inequality Across Sectors.** The crisis has been difficult for all providers, but much of the focus is on licensed care, and centre-based care in particular. These providers have legitimate concerns and grievances with the process toward reopening, particularly in environments with multiple staff and a large number of children. It is also true that parents rely on diverse forms of care. Advocates for the independent home-child-care sector in Ontario argue they were declared essential but given no information, guidelines, protections, or public acknowledgement of their role. In their mind, the pandemic highlights the disparity in treatment by the province between child-care sectors. The Association of Day Care Operators of Ontario, which represents independent licensed providers, suggests that the flow of provincial funding through the CMSM/DSSAB structure reduces parental choice and flexible care options. In some regions, municipalities limit the use of parent subsidies to not-for-profit providers.<sup>6</sup> One positive development for this sector was that providers could access COVID-19 relief funding directly from the province if they did not have a service agreement with the CMSMs/DSSABs.

# **PROVINCIAL RESPONSE**

Ontario declared a state of emergency on March 17, closing child-care centres in response. On March 22, the province announced emergency child-care services for frontline workers. After reports surfaced that some providers continued to charge parents fees, the province announced an emergency order on April 10 preventing providers from charging fees where service was no longer provided, and protected parents from losing their space. At that time, the province encouraged providers to seek support from the federal government's Economic Response Plan. The province also promoted its Support for Families plan, which provided parents with a one-time payment of \$200 per child under thirteen.

The province announced a plan to support child care during the crisis on May 9. The plan allowed fee subsidies to be allocated toward fixed operating costs, recognizing that providers were prohibited from collecting parental fees. Centres not receiving provincial funding were eligible to apply for this funding as well. Additionally, the province waived licensing applications and associated fees, and extended licenses set to expire. The province also stated that it would continue to provide funding and wage-enhancement grants to licensed home-child-care providers operating during the shutdown.

On June 9 the province announced child-care providers would be permitted to reopen on June 12 under new guidelines to ensure the health and safety of children and providers. Providers were directed to keep parent fees at pre-pandemic rates. Home providers were permitted to provide parents with a thirty-day window to decide on whether to keep their spot. After thirty days, providers were permitted to charge parent fees to hold the spot.

<sup>6</sup> Association of Day Care Operators of Ontario, "Get the Facts About Child Care in Ontario," Childcare Today (blog), https://childcaretoday.ca/get-thefacts-about-kathleen-wynnes-child-care-policy.php.

The province announced on July 30 that all licensed child-care providers could open with regular staff-child ratios beginning on September 1. The province promised updated operational guidance and funding to licensed operators for staffing, cleaning, and personal protective equipment. The province announced they would direct \$234.6 million to providers through the Safe Restart Agreement with the federal government.

### **CONSIDERING THE FUTURE**

Is Ontario prepared for a possible second wave of the virus? The COVID-19 crisis exposed inconsistencies across child-care sectors and regions in Ontario. As a result, Ontario families may experience differing levels of care options this fall.

The lack of clear, timely communication from the province delayed the ability of providers to determine whether they could deliver safe care. Provincial guidelines take time to implement and come with associated costs. The delay among some CMSMs/DSSABs to disburse provincial funding hurt providers and resulted in fewer options for parents across the province. Left unaddressed, these logistical issues harm the ability of the child-care sector to respond should Ontario experience a second wave of the virus.

Finally, the push to reopen child-care spaces assumes parents are eager to return to their previous care arrangements. Many parents will delay using paid care or seek options with fewer children. The plan focuses on opening spaces, with little regard for what parents may desire for their children during this unique time. It is also important to remember that any amount of funding directed to licensed spaces subsidizes only some families in Ontario. About 46 percent of children under six years of age are not in non-parental child care, while a significant portion of families who do use care use forms of care that receive no government funding.

**CARDUS FAMILY** conducts, compiles, and disseminates Canadian research on family and marriage and their strengthening impact on civil society.



cardus.ca/research/family

