His Worship Fred Eisenberger  
Mayor  
Corporation of the City of Hamilton  
230–77 James Street North  
Hamilton, Ontario  
L8R 2K3

Fred

Dear Mayor Eisenberger:

I'm writing to provide you with information about funds we are committing in the 2010–11 fiscal year to stabilize the child care system through the upcoming school year, and to clarify some of the misunderstanding surrounding the loss of federal funding for child care.

As you know, in 2006 the federal government terminated the Early Learning and Child Care Agreement. The final payment of $254 million was spread out over four years—$63.5 million per year—so that we could sustain the new child care spaces that had been created under Best Start.

It is important to note that it is that $63.5 million—not all $277 million of Best Start funding, nor the full federal funding—that is now at stake. This represents approximately 7 per cent of the $870 million spent by the federal and provincial governments on child care.

The federal funding will run out on March 31, 2010. Some recent reports have suggested that all 22,000 Best Start spaces could be at risk. This figure is highly inflated. While we recognize that the loss of these funds would impact child care differently in each municipality, we estimate that up to 8,500 child care spaces are currently supported by these federal funds.

We know that many families depend on child care through the school year. That's why we are stepping in with a one-time investment of $18 million to help families maintain their child care arrangements through the 2009–10 school year and into the summer. We are making this commitment at the launch of your 2010 budget development cycle so that you can plan for the upcoming school year.

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With this $18 million commitment for 2010–11, we have more time to continue advocating together to the federal government on behalf of Ontario families. I have written my federal counterpart, the Honourable Diane Finley, and I will be raising this issue when I meet with her later this week. I also raised the issue, along with my provincial counterparts, with the Honourable Helena Guergis at the recent Federal- Provincial-Territorial meeting of Status of Women Ministers. I will continue to press this issue with the federal government.

In the interest of Ontario families counting on these spaces, I urge you to join me in calling on the federal government to reinstate the $63.5 million investment.

It is also important to remember that Dr. Charles Pascal will be reporting to the Premier in the coming weeks on the best way to implement full day learning for four- and five-year-olds. The funds confirmed today will help to provide stability in the system as we begin implementation of full day learning in September 2010.

The province’s commitment to early learning and child care remains strong. Please rest assured that, like you, we have no interest in seeing a reduction in the number of child care spaces or the number of subsidies.

I would like to thank you for the important role you play in delivering high quality child care to Ontario families. Working together, we’ve made great progress in improving access to early learning and child care services. Our government will continue to work with our partners to sustain the progress we’ve made so that we can provide our children with the best possible start in life, while at the same time allowing their parents to go to work.

The ministry’s regional office will be in contact with your officials in the very near future to ensure that there is a clear understanding of how this funding impacts your region.

Sincerely,

Deb Matthews
Minister

C: Ms. Joe-Anne Priel, General Manager, Community Services, Corporation of the City of Hamilton