

PC child-care numbers don't add up, critics say^[1]

Plan to give families rebate more expensive than what's budgeted, advocates figure.

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EXCERPTS

When it comes to the high cost of daycare in Ontario, the Progressive Conservative plan to give parents a financial break through a new tax rebate doesn't add up, critics say.

The PCs' 2018 election platform, unveiled Saturday, allocates almost \$390 million a year for a plan that includes a tax rebate which they boast will cover up to 75 per cent of a family's eligible child-care costs.

But their cap on costs at \$9,000 per child under age 6 and \$5,000 per child between the ages of 6 and 15 is far below the cost of licensed care in most Ontario communities, said child-care expert Martha Friendly.

"I don't know where they got their data, but the reality is, even the lowest-income families won't get anywhere near 75 per cent of their child care-costs covered under this scheme, not if they are using licensed care," said Friendly, whose Childcare Resource and Research Unit publishes a bi-annual snapshot of early learning and child care in Canada.

Ontario has the highest child-care costs in the country with annual parent fees for licensed care in Toronto last year topping \$19,800 for infants, \$16,500 for toddlers and \$13,800 for preschoolers, according to an analysis by Friendly and the Canadian Centre for Policy Alternatives.

Under the PC plan, a family earning less than \$35,000 a year would get the maximum benefit of \$6,750 for a child under age 6 and \$3,750 for a child between the ages of 6 and 15. They say every middle- and lower-income family paying for child care will benefit from their plan; in some cases, higher-income earners may also receive a smaller rebate.

Before releasing their "People's Guarantee" platform, the PCs had all their numbers vetted and approved by Kevin Page, a former federal parliamentary budget officer now at the University of Ottawa.

At the Ontario legislature on Wednesday, MPP Lisa MacLeod called the move "real change - real change that would make life affordable for Ontario families."

At last weekend's PC convention, Leader Patrick Brown told the crowd "a lot of families in Ontario with young children are struggling to find child care - struggling to pay for the child care if they can even find it ... there are so many families, so many families that can't afford it."

Critics also question the amount of money the PCs are budgeting for the measure.

If families qualified for an average deduction of \$3,000 per child, barely 130,000 children would be covered, Friendly said.

Since Ontario has 420,000 licensed child-care spots, there doesn't appear to be enough money to cover even one third of children currently using this care, Friendly noted.

University of British Columbia Professor Kevin Milligan has defended the proposal saying it "has two main advantages. First, it delivers the largest benefit to lower- and middle-income families who most need help with child-care expenses. Second, it supports flexibility for those families who need part-time care, shift work, or irregular care arrangements."

He too has "reviewed their final costing in detail. I think the quality of their costing analysis attains the standard I expect, and the cost estimates are reasonable."

But critics say the scheme will do nothing to build a system of high quality, affordable child care for parents who desperately need it.

"It's nothing but a tattered-up Trojan Horse that people keep falling for," Friendly said.

The former Harper government spent about \$20 billion on a child-care benefit during its 10-year tenure, Friendly said, and yet families continue to struggle to find and pay for high quality, affordable child care.

Brown's proposed tax rebate is "just another waste of taxpayer money," Friendly added.

Early Years Minister Indira Naidoo-Harris characterized it as a "vote grab."

"The bottom line is this: They are doing nothing to build the system," she told reporters.

"They're not going to be reducing fees, they're not working on doing supports for the workforce, they're not looking at increasing spaces, they're not looking at quality" as the Liberals are, she said.

The NDP says the PC proposal does nothing to stop the privatization of child-care the Liberals have allowed.

In 2008, and again earlier this year, the NDP has introduced private member's bills banning corporate daycare from receiving public funds, making sure all monies go to not-for-profit and public services which provide higher-quality care, said Leader Andrea Horwath.

"People who know that they want affordable, quality child care are going to be very careful of what this Conservative plan looks like," said Horwath. "It's one thing to say you get a rebate, but if you can't afford child care in the first place, if you can't afford the profits that are being built in by these private companies in the first place, then a rebate is not going to help you."

Friendly said every country that has provided cash to parents to pay for child care, including the United Kingdom, Australia and the Netherlands, has seen centres close, the quality of care decrease and parent fees jump.

"I don't know why people keep suggesting these cash schemes when international evidence clearly shows it doesn't work," she said. "No place with high quality, accessible and affordable child care does this."

The only way to make high quality child care affordable for families is to fund centres so they can keep parent fees low and pay early childhood educators a professional wage, Friendly said.

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