

Quebec's daycare model provides inspiration for provinces to develop their own ^[1]

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EXCERPTS

When it comes to affordable daycare, Quebec's low-fee program is the envy of many a parent in other parts of Canada.

Under the much-vaunted but polarizing program introduced in 1997, the bulk of Quebec parents pay but a fraction of the astronomical amounts their counterparts shell out elsewhere.

Some pundits argue the Quebec model is too costly and fails to deliver, but others say the benefits of getting more women into the workforce and improving work-life balance help offset the annual \$2.5 billion investment.

But how exportable is the made-in-Quebec solution?

One political scientist says Quebec's lesson to other provinces is they should chart their own path and not wait for a federally driven daycare plan as some have in the past.

"When the federal government tried to implement a national program, it met a lot of resistance in the different provinces," said Olivier Jacques, a post-doctoral student at McGill University and one of three authors of a recent study published by the Institute for Research on Public Policy that examined Quebec daycare.

"So maybe it's better that each of the provinces does their own so they can make something sustainable."

In 2005, the Liberals under Paul Martin tried to implement a national childcare program, setting aside \$5 billion and signing on with all 10 provinces before losing power to the Conservatives, who then eliminated the program.

Some detractors have been critical of Quebec's universal approach and believe the province should have instead targeted certain segments of the population. But Jacques counters the wide appeal has allowed Quebec's plan to persist.

"If a provincial government wants to make a program that will be politically robust and survive a change of government, they need to make sure the program will be broadly popular and covers most children and most parents," he said.

One factor that favoured Quebec was that the political divide in the province along federalist and sovereigntist lines meant the absence of a true small-c conservative opposition — the very type of government that historically has cut such programs elsewhere, Jacques noted. The other is that activists and proponents insisted the province promote such a program.

In Ontario, where daycare is a hot-button issue in the current election campaign, Kathleen Wynne's Liberals are pushing free care for preschoolers aged two-and-a-half and older, until they reach kindergarten at a cost of \$2.2 billion over three years. The Conservatives are pushing a tax rebate program at a cost of \$389 million per year.

The New Democrats are proposing free child care for all families making less than \$40,000 year and are aiming to have childcare costs average about \$12 a day for those making more, drawing some similarities to Quebec. The price tag is around \$11.4 billion over five years.

What's clear is the costs will be an obstacle for any province.

Canada as a whole ranks near the bottom of OECD countries when it comes to childcare spending — roughly 0.2 per cent of GDP — while Quebec vastly outspends the rest of the provinces on daycare by a margin of about five to one.

That's where Jacques believes the federal government could help by easing the financial burdens on provinces to allow them to invest in affordable child care.

In 2017, the federal Liberal government announced plans to spend \$7 billion over the next decade to help ease the burden of childcare costs, including up to 40,000 new subsidized spots nationwide by 2019.

Since the Parti Quebecois introduced \$5-a-day subsidized daycare in Quebec 21 years ago, the daily fee has increased a few times.

The Liberals also introduced a sliding scale three years ago, under which parents pay a base amount of about \$8, and as much as nearly \$22, depending on their income.

The most popular daycares are the non-profit, subsidized centres known commonly as CPEs, which provide for trained educators and specific standards. But the number of spots — about 230,000 to date — are too few.

In a bid to shorten those long lists, the Liberals have favoured expanding the number of private daycare centres — for-profit entities where parents pay upfront costs of \$40 or more and benefit from federal deductions and provincial tax credits to bring the daily costs close to the subsidized system.

The number of private daycare spots has boomed to 65,000 in less than a decade.

That's where the competing daycare narratives collide, says Universite de Montreal economist Pierre Fortin: while the province has seen the economic benefits of accessible child care, it is struggling to maintain quality.

Fortin, himself a father of five, said the program has met one major goal of getting more women into the workforce. That has helped absorb the program's expenses through increased tax revenues and transfers to families.

The participation rate in the Quebec workforce of women between the ages of 20 and 44 stands at 87 per cent, compared to just 74 per cent in 1997. In a speech this year, Bank of Canada governor Stephen Poloz even credited the Quebec program for the percentage hike.

In the same speech, Poloz noted the rate nationally is about 83 per cent.

The federal government committed to increasing women in the workforce in the budget last February through a number of measures, but did not provide a solution to the childcare quandary.

"All the research looking into the matter has concluded the main cause of increase in labour force participation has been the low-fee universal childcare program and the extended parental leave," Fortin said.

Fortin says the Quebec program has stumbled in overall quality. On average, the subsidized CPEs get very positive reviews for a highly qualified staff and environment, but the privately owned daycares offer a lower level of quality.

That discrepancy was noted in a study released by the Observatoire des tous petits, a charitable foundation that studies child development.

While the province's subsidized educational childcare centres scored very well, the same couldn't be said for privately held daycares or the other subsidized models.

"The right verdict to give is that we have a two-tier system," Fortin said.

"One is spectacularly good but the other is spectacularly mediocre."

Related link: When 'universal' child care isn't universally high-quality^[3]

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