

# Tackling expensive Ontario child care central to election promises <sup>[1]</sup>

All 3 main parties have plans to help alleviate Ontario's high daycare fees

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**Source:** CBC News

**Format:** Article

**Publication Date:** 29 May 2018

## AVAILABILITY

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## EXCERPTS

Alecia O'Brien has shelled out more for child care than for her mortgage. Yet, she still considers herself "lucky" that she's been able to return to work.

"There was a significant number in my mothers' group who didn't because they couldn't afford it," said O'Brien.

Only her three-year-old daughter currently attends daycare on Cleary Avenue near Woodroffe Avenue and Richmond Road, but O'Brien has two older children who attended the same centre.

"I'm bleeding child-care expenses," she said. "It's a lot of money. It's been significantly more than my mortgage every month."

Ontario has some of the most expensive daycare prices in the country. They are so high, in fact, that many parents hold off on having a second child because they can't afford the care.

"One of the reasons that we're waiting is because we don't really want to have two kids in daycare at the same time," said Chani Patterson, whose toddler attends the same daycare as O'Brien's.

"It would double the fee that we're paying now, which is more than \$1,000 a month. It's definitely a factor."

## Ontario's among highest child-care fees

The median cost for child care in Toronto is about **\$1,200 a month** <sup>[3]</sup>, although many parents pay far more, especially for infants.

In Ottawa, the median cost is around \$1,000 — but just across the river, parents in Gatineau, Que., pay just \$183.

Of course, 20 years ago, Quebec became the first province to implement a heavily subsidized child-care program. Now, after decades of talking about universal child care, Ontario politicians are offering parents significant measures in this election campaign to make child care more affordable.

Here's what the three major parties are promising:

## Liberals

- Provide free preschool to children ages two-and-a-half to kindergarten age, starting in two years.
- Will cost an additional \$1.7 billion by 2020.
- Create 100,000 new licensed child-care spaces over five years, including 4,500 in First Nations.
- Increase wages for child-care professionals.

## New Democrats

- Create a low-cost, public child-care program, including for infants, that would be free for families earning less than \$40,000.
- It's unclear what the cost would be for others, but the NDP has said it would average \$12 per day.
- Create 220,000 child-care spaces — a 50-per-cent increase — over four years, at which point the plan would cost \$3.2 billion per year.
- Increase wages for caregivers to \$25 per hour.

## Progressive Conservatives

- Give parents earning low incomes a child-care refund worth up to \$6,650 per child.
- Works on a sliding scale so that families making \$155,000 or more receive a maximum refund of 26 per cent of costs.
- Flexible — it's the only plan that can be used for unlicensed care — and is set to begin in 2019.
- Plan will cost an additional \$389 million (after current provincial child-care tax breaks are repurposed).

## Central to platforms

Despite the differences in approach, many observers are encouraged that child care is central to the parties' platforms.

"It's different this time because there are more people interested in the early learning and child-care conversation," said Nora Spinks, CEO of the Vanier Institute of the Family. "We now have better evidence about high-quality early learning programs. We know that really good early learning child-care experiences produce immediate and long-term benefits."

And then there's the governor of the Bank of Canada.

Earlier this year, **Stephen Poloz gave a speech** <sup>[4]</sup> in which he argued that a subsidized child-care program could be the best way to boost the economy because it could significantly increase women's participation in the workforce.

Similarly, employers are also advocating for better daycare, said Spinks. If parents have access to good child care, they'll be "more reliable, more productive, they will be able to perform on the job if kids are safe and secure."

### Challenges to implement plans

But each party plan has its challenges.

One is the speed at which spaces can be made available. It's one thing to offer subsidized care, and quite another to have physical space built to deliver that care. Already, most licensed daycares in Ontario have waiting lists, and that demand will only increase after care becomes more affordable.

"The problem with the affordability of child care is that it's a huge problem to solve and you can't solve it very well all at once," said Gordon Cleveland, a professor emeritus of economics at the University of Toronto, Scarborough.

He pointed to the Quebec experience, which saw a "huge flood of parents" enter the market when the province subsidized child care, only to find not enough spaces. The result was poor-quality care that came onto the market in the short term, he said.

That supply challenge is why, in a **300-plus page report delivered to the provincial government in February** <sup>[5]</sup>, Cleveland recommended making child care affordable for parents of all pre-schoolers, and "then nibble on other age groups" later — the strategy the Liberals essentially adopted. But critics point to the obvious drawback that the Grit program doesn't cover infants or toddlers, whose care costs more.

Others also worry about the quality of early-childhood educators. They generally make less than \$20 an hour, which makes it difficult to attract and retain good workers.

The NDP has promised to raise workers' wages to \$25 per hour, and the Liberals have also promised to hike salaries over two years but haven't laid out the specifics.

### PC plan more flexible, less generous

The Progressive Conservative strategy is, well, more conservative. The tax refund model is based on a **study** <sup>[6]</sup> authored by researcher Alexandre Laurin and economist Kevin Milligan for the C.D. Howe Institute.

The main benefits of the refundable costs is that it "supports flexibility for those families who need part-time care, shiftwork, or irregular care arrangements," according to the report.

The refund can be used for unlicensed daycare or other types of care arrangements, such as after-school programs.

And because the PC program essentially gives parents money, as opposed to providing child-care spaces, it can be ramped up quickly. The Conservatives are promising to implement their program in January, however their program isn't as generous to parents with children in full-time care as the other two parties.

**Related link: Ontario provincial election 2018** <sup>[7]</sup>

**Region: Ontario** <sup>[8]</sup>

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