

Misspeaking childcare: The Ford government's evidence vacuum

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**This blog went to press as Premier Ford announced that he was reversing retroactive cuts to municipalities for childcare for 2019 but confirming that cuts in the future will continue.*

Ontario childcare developments in the last few months have been so alarming, chaotic, and ill-informed they truly make your head spin. The news headlines speak for themselves: "Doug Ford's cuts put over 6,000 subsidized daycare spaces at risk— Toronto", "Ontario cancels \$50M fund that helped child-care centres keep parent fees down", "Ford government's childcare rebate will fuel poor quality care, expert says", "Ontario government loosens childcare rules, raising safety concerns" and "Ontario opens door to more public funds for 'big box' childcare". Adding to the migraine potential for parents who are merely hoping to find quality, affordable childcare for their kids, the Ford government has offered only bromides, misinformation or downright fibs in response to questions or objections.

The assault on Ontario's childcare began last September when the new government eliminated the modest guidelines brought in to temper potential rapid growth by big-box, profit-seeking childcare owners. Then, in December, they relaxed childcare regulations in home childcare, increasing the ratio of very young children cared for in private homes to make it a more "viable business", as they described.

Next came announcement of the companion piece to poorer quality, cheaper, less safe, less publicly managed childcare – the tax rebate, or "CARE". It is pitched as offering parents "choice" by solving their own childcare problems with a little more cash in their pockets, rather than affordable licensed childcare with pesky government oversight.

Then last month after the provincial budget came the out-and-out financial cuts. These were slipped in among the daily post-budget-cuts-to-everything and finally stimulated alarm. For one thing, the Ford government ended the \$50 million fee stabilization support fund intended to mitigate the impact of higher staff wages resulting from the minimum wage increase so these costs were not passed on to already fee-challenged parents. For another, the Ford government slashed the main provincial childcare funding to the municipalities who are mandated to administer low income fee subsidies. These very significant cuts were acknowledged by the province at \$40 million province-wide but Toronto's calculation of \$84 million—just in Toronto—suggests that when it's all added up across Ontario, the cuts could be double that. And to top it off, a cut of \$93 million to promised capital funding has been reported in the media.

But it's the defense and promotion of all this that is truly migraine-inducing. Education Minister Lisa Thompson and other members of the PC caucus' misstatements and double-speak are downright Trumpian as they serve them up in response to concerns – whatever the evidence to the contrary.

Take last September's "Restoring Ontario's Competitiveness Act", which increased the number of babies and toddlers who could be cared for by one woman in a private home from five to six. Now one woman can care for three babies under two years, plus three more under age four. Relaxed regulations mean adding any number of a caregiver's own children four years and older to the six fee-paying children, so an unregulated caregiver can care for a few of her own children, three babies under two, and three toddlers between two and four years—could be eight children or even more. This might be in an apartment or house with an unsafe balcony and no emergency exit—imagine one harried woman trying to get all those children down to safety from the 20th floor or up from a basement!

When experts and educators— including not-for-profit licensed home childcare agencies— argued that this doesn't meet responsible safety standards, Minister Thompson disingenuously described the changes as "making life easier for families all across this province", "cutting red tape, improving quality" and "helping families better afford childcare and give them more options".

The Ford government also changed modest rules introduced by the Liberal government to limit rapid expansion of childcare operators looking to profit from public funds. The previous government's changes were originally in response to community concerns that big-box operators had set their sights on Ontario. Research has found non-profit and public childcare is likely to be higher quality than for-profits, mostly due to diversion of funds to maximizing profits instead of raising staff wages. But ignoring the evidence on this, Minister Thompson instead stated that "The nanny state of the previous administration was proven not to work. We're listening to parents across Ontario." She is also listening to the Association of Day Care Operators, a lobby group representing childcare centre owners, touting the group on Twitter and in the legislature as "childcare workers" who support the government's childcare direction.

When it comes to the direct financial cuts, the Education minister's incomprehensible rationale that cutting the \$50M "fee stabilization support" aimed at raising wages for the 25% of the childcare workforce earning minimum wage without increasing parent fees was that "the measure was one-time funding, put in place to correct a mistake that the former Liberal government made." Even before news of this cut hit the press, it was reported that at least one centre owner had already raised parent fees.

The Ford government has also cut the main provincial transfer funds to municipalities that provide fee subsidies for eligible parents, funds

to include children with disabilities in childcare and funds used to make childcare more affordable. Most of Ontario's 47 municipal units will now receive less childcare funding, with the full amounts being clarified as alarmed local governments crunch the numbers. A war of words between the Ford government and Toronto officials erupted with the province insisting Toronto's numbers are wrong, and that Toronto can make up the cut—calculated by City financial officials at a \$84 million cut, and predicted to slash more than 6,000 fee subsidies for low income families.

Minister Thompson, who cited vacant spaces as evidence of Toronto's "inefficiency", obviously does not understand the logistics of centres' struggles to fill vacant spaces in an environment where parent fees are out of reach and a City-wide fee subsidy wait list is almost 14,000 children. This is despite a study of "service efficiency" of Toronto's Children's Services commissioned in 2013 by the Rob Ford regime that observed "the Children's Services division is taking a disciplined approach to balance service system management and direct operations amidst funding challenges" and that the "cost of administration is 5.8%, which is lower than the provincial allowable maximum of 10%".

Then there is the Ford government's childcare piece de resistance intended to make all this right – the chirpily named "Childcare Access and Relief from Expenses" tax credit, or "CARE". Minister Thompson has said it will "put money back in parents' pockets" and that parents will "have a right to choose between in-centre care, home care or summer camps. The fact of the matter is that all of those expenses will be covered off: 75% of childcare expenses will be covered off by our CARE tax credit".

But a number of analyses show how it fail to live up to its branding. As well, a suspiciously similar tax rebate has now created a two-tier childcare situation in Quebec—one that costs the Quebec government hefty dollars yet fails to deliver the affordable high quality childcare Quebec parents seek. Analysis of the Quebec situation by economists and childcare policy experts has received wide attention, so this evidence is easily accessible to the Ontario government.

Ontario economists have examined the Ontario tax rebate as well, and the verdict is that it will be costly but fail to deliver childcare in Ontario. Gordon Cleveland, who crunched the numbers on it last year, thinks it will "make things worse rather than better". It will deliver less money to parents than advertised and will provide much less money for low income parents than existing (but cut) fee subsidies. It will push parents into less costly, low-quality, unlicensed childcare, while encouraging more low quality operators to enter the market.

Taken together, this brew of rapid-fire cuts, chipping away, and misrepresentation of Ontario childcare add up to a picture of a childcare future that isn't good for anyone--not children, parents, educators--but could be great for investors. Fortunately, the childcare community, together with supporters and political allies from across parties are speaking up to set the record straight on what accessible, affordable, high quality child care actually is, what's needed to get it, and why Ontario families today recognize, need, want, and demand it.

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