

# Ottawa, P.E.I. strike new child-care deal aiming for \$10 daily fees within 3 years <sup>[1]</sup>

Liberal government has now reached deals with 3 provinces on new child-care funding

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## EXCERPTS

The federal government and Prince Edward Island have agreed to a new funding deal that aims to reduce child-care fees on the Island to \$10 per day by the end of 2024.

The funding will also cut child-care fees in half by the end of 2022 for children under six who attend regulated child-care facilities, according to the federal government.

"This ambitious timeline goes to show not only how dedicated P.E.I. is to making life more affordable for families, but it's also an example of how working closely with the federal government means real change happens fast," Prime Minister Justin Trudeau told a news conference today in Charlottetown.

Ottawa is committing \$121.3 million over the next five years to P.E.I.'s child-care system, including a one-time investment of about \$3.6 million earmarked for the province's early childhood education workforce.

Trudeau said the funding will create 450 new child-care spaces on the Island within two years. The province is Canada's smallest, with a population of just over 160,000.

P.E.I. Premier Dennis King said the agreement will be "a great equalizer" and represents "a positive step forward in the reduction of poverty in our province."

## Ottawa has now reached child-care agreements with 3 provinces

The deal makes P.E.I. the third province to sign on for new child-care funding from the federal government, bringing the concept of a national child-care system closer to reality.

Earlier this month, Trudeau announced similar child-care agreements with British Columbia and Nova Scotia intended to set an average cost for child care of roughly \$10 per day.

The child-care funding announcements are being made as the federal parties brace for an election call in the next few weeks.

The federal Conservatives were quick to accuse the Liberals of making child-care promises they have no intention of honouring.

"Trudeau waited six years into his mandate to make these announcements on child care and it's no surprise that this comes weeks before a possible election," said MP Cory Tochor, the Conservative critic for families, children and social development, in a media statement.

In 1993, the Liberals under Jean Chrétien proposed funding most of a new national child-care program which was never realized. In 2005, Paul Martin's Liberal government committed \$5 billion to helping the provinces develop enhanced child-care systems, but Martin's government was defeated in the subsequent election and the deals were cancelled.

In the 2021 budget, the Liberal government pledged \$30 billion over five years and \$9.2 billion annually thereafter to build a national child-care system.

## P.E.I. says it will move faster than other provinces

The government's stated goal is to reduce child-care fees to \$10 per day on average nationally by 2026.

King said P.E.I. will be able to offer those prices more quickly in part because of the province's relatively small population and its well-regulated child-care sector.

"You keep the money coming and we'll get it done," King said to Trudeau during the announcement.

Existing child-care fees in Prince Edward Island are among the lowest in Canada outside of Quebec.

According to the Canadian Centre for Policy Alternatives, the median toddler daycare fee in Charlottetown was \$608 monthly in 2020. A \$10 daily rate would translate to around \$200 monthly, assuming a child is in care Monday to Friday.

Winnipeg is the only Canadian city outside of Quebec with lower rates than Charlottetown. Within Quebec, fees below \$10 a day are widely available under the province's subsidized child-care system.

**Region:** Prince Edward Island <sup>[3]</sup>

**Tags:** federal budget <sup>[4]</sup>

universal system <sup>[5]</sup>

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