## Campaign catch-up: Child care [1]

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One big issue: Child care

## The background

Experts and advocates have been calling for a national child-care strategy for more than 50 years. While child care is primarily a provincial responsibility, there is scope for the federal government to play a role — for instance, by providing earmarked funding to provinces. In 2017, the most recent Liberal government introduced a Multilateral Early Learning and Child Care Framework that would contribute \$7.5 billion to child care over 11 years and build 40,000 new regulated spaces, among other commitments. But the issue took on added urgency three years later during the COVID-19 crisis, when child-care centres were forced to close and women's employment subsequently suffered.

## Where the parties stand

Liberal Party: In the April budget, the Liberal government pledged up to \$27.2 billion over five years to help the provinces create more high-quality child-care spaces with lower fees for parents and guardians. The goal is to reduce average fees by half by the end of 2022, and to an average of \$10 a day by 2026. So far, seven provinces and one territory have signed on to the agreement: Saskatchewan, Manitoba, Quebec, British Columbia, Nova Scotia, Newfoundland and Labrador, Prince Edward Island and Yukon.

Conservative Party: In their platform released in the first week of the campaign, the Conservatives announced they would replace the Liberal child-care plan with a refundable tax credit that would cover up to 75 per cent of child-care costs paid, modelled on Ontario's current provincial program. The biggest refunds would go to the lowest-income households, in a departure from the current Child Care Expense Deduction, which pays out a set amount per child.

**NDP:** The NDP is also promising \$10-a-day child care, more spaces and a "fair, living wage" for child-care workers. The platform also includes a relief fund for non-profit child-care centres so they can reopen spaces that they were forced to close because of COVID-19 restrictions.

**Green Party:** While platform details have yet to be announced, the party supports federally funded universal child care and early childhood education (ECE) programs.

## The reaction

One week in, the child-care debate pits the Conservatives vs. everyone else. Those who oppose it say it doesn't do enough to address the structural issues that currently plague the early learning and child-care sector, such as long waiting lists, unaffordable fees and underpaid staff. According to Monica Lysack, an early childhood education professor at Sheridan College:

"The Conservatives' tax credit plan amounts to offering a coupon for a product that's fully sold out. At least they're acknowledging that there is a child-care crisis that is hurting women, working families and our economy, but tax credits do nothing to create desperately needed spaces or attract and retain qualified child-care workers. The Liberal agreements provide the resources and flexibility for communities to develop high-quality, affordable spaces that meet their unique needs, whether culturally inclusive, rural and remote, or extended-hours care."

1

However, people who like the idea of the Conservatives' child-care benefit say it offers more flexibility than the Liberal strategy — for example, for parents who work shifts or irregular hours. In an analysis for FPR, Brian Dijkema of Cardus praises the Conservative plan as being more inclusive of parents who either can't or prefer not to use child-care centres:

"A glance at the available details of the CPC plan suggest that it is expansive, equitable, comprehensive, remarkably progressive, and takes significant steps to modernize child-care and family policy in Canada. ... Perhaps most importantly, the CPC plan would apply to 100 per cent of parents who pay for child care of any sort, rather than a \$10-a-day plan, which is focused almost exclusively on the minority (32 per cent) who use centre-based care."

For her part, Lysack dismisses the suggestion that the Liberal child-care agreements are one-size-fits-all as "nonsense," saying: "Saskatchewan's operating grant that provides additional operating funds for extended-hours care is an example of a successful policy solution that can happen when resources are available."

And British Columbia's \$10-a-day child-care pilot program, operating since 2018, currently applies to spaces in home-based daycares and other non-centre settings. The province's newly signed partnership with the federal government will prioritize "non-profit/public organizations, Indigenous-led, and home-based child care in locations where \$10-a-Day Prototype Sites are not available."

Dijkema also notes that in Quebec, which has provided sub-\$10-a-day child care through provincial subsidies since the late 1990s, more spaces were created after a child-care tax credit was introduced. However, writing for Policy Options, Université TÉLUQ researcher Sophie Mathieu says those spaces have primarily been in for-profit child-care centres, which research shows are of lower quality than the non-profit, subsidized early childhood education centres known as CPEs (Centres de la Petite Enfance) that have more staff per student. And in an analysis of the Conservatives' platform, the Canadian Centre of Policy Alternatives (CCPA) points out that for-profit child care in Quebec is still more expensive than subsidized centres, even after the tax credit: "Flooding more money into the private care market only drives up costs for parents and it does nothing to build affordable high-quality services in communities that need it most."

University of Calgary economist Lindsay Tedds, in a Twitter thread, welcomed attempts to reform CCED, which she called "a very antiquated treatment of child-care expenses." But she goes on to say,

"The idea that [tax credits] should be the only policy intervention in the child-care market is bad. We've been doing demand interventions forever. They don't help supply, they don't help quality, they don't help accessibility, they don't help ECE workers."

By the same token, CCPA economist David Macdonald wrote earlier this year that lowering child-care fees should only be one component of the plan, as it risks creating increased demand before adding the necessary resources, which could end up exacerbating waiting lists. "A reduction in fees alone, without the other pieces, has the possibility of making a real mess of things."

This reflects what we've been hearing from people working in the child-care sector. In both our Video Town Hall and a series of interviews, ECEs and child-care operators told us they want a national child-care system to include purpose-built spaces, better pay for ECEs to improve recruitment and retention, higher standards for staff qualifications, and support for non-profit child-care in lower-income neighbourhoods. In the words of Diane Daley, who leads Family Day Care, an organization that runs child-care centres throughout the GTA:

"We need a sustainable systems approach to build a strong, accessible, high-quality child-care system. A systems approach is critical to ensuring accountability and improving access to address the vast disparities across communities. A plan for child care must be expansive and cannot focus on just one component."

Region: Canada [3]
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