

How Doug Ford and Justin Trudeau made a deal for \$10 daycare

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Trudeau's promise of \$10-a-day child care across Canada will be fulfilled after Ford secured a longer guarantee of federal funding for Ontario.

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EXCERPTS

It took nearly a year. It took more than a decade. It took more than five decades. It took the pandemic.

Whatever starting point you pick for when the real drive for a national child-care program began, Ontario's signature on a "pan-Canadian" plan fulfils a long-time federal Liberal ambition — one that could set Premier Doug Ford's Progressive Conservative government on the road to re-election.

That's because some of the benefits may be seen immediately, as rebate cheques for families with children in regulated daycare begin to flow as early as May — a month before June's provincial election.

At first it will be a trickle, a few hundred dollars. But by the end of this year, it could amount to nearly \$6,000 in savings when a 50 per cent fee cut kicks in — a windfall for families who pay some of the highest child-care costs in the country.

By 2025, every province and territory has now pledged to deliver regulated quality early learning and child care at an average cost to parents of \$10 a day — at a cost of \$30 billion, paid for by the federal government.

The last provincial child-care deal with Ontario was signed Monday. But it was sealed last week at the highest levels after Premier Doug Ford got a commitment from Prime Minister Justin Trudeau's government that there will be stable funding beyond five years in the form of a \$13.2-billion, six-year agreement for Ontario.

Trudeau said he was "happy" to give the guarantee in writing, since his government had already budgeted for ongoing sustainable funding in 2021 when the Liberals' child-care plan was unveiled — a plan that recognized each province had a different system and "requires different levels of flexibilities."

"All the other provinces also know they get funding on the sixth year, the seventh year, the 10th year, on the 20th year," said Trudeau, "God willing, governments continue to believe in child care into the future."

For economist Armine Yalnizyan, one of the policy advocates who has pushed the Liberals since 2018 for the revival of a national child-care policy, the big question now is whether it translates into real and lasting change.

"That's the miracle of these deals, is they are not a cookie-cutter national approach," said Yalnizyan, but "it's the start of a national approach."

It will be up to voters to ensure that provincial governments spend the billions of dollars the federal government is offering to deliver lower daycare fees, more spaces and a more highly trained and well-paid workforce.

"This is a very new version of fiscal federalism," she said, in which Ottawa gives the provinces money "to buy change."

"That's what this model is: We will give you more money to change things, not to do things the way they were. We're not just going to add money and stir. We're adding money to reduce fees. We're adding money to add spaces, we're adding money to make it easier for you to recruit, train and retain staff. That's what this money is for," Yalnizyan said.

"Will provinces that are on the receiving end of that money screw around with that? I don't know. If they do, will they be sanctioned by their electorate? I also don't know."

The Royal Commission on the Status of Women in 1970 called for a national child-care plan. The 1993 Liberal campaign "red book" of promises listed it. The Paul Martin government in 2004 said it would put \$5 billion toward it over five years. But Stephen Harper's Conservative government killed it. Rather than boost spending for what Harper called "institutional daycare," he would offer tax breaks to parents — \$100 monthly cheques that failed to create the promised new spaces, and were later folded into the redesign of the national

child benefit.

Child care wasn't in the Trudeau Liberals' 2015 or 2019 platforms, nor in Ahmed Hussen's mandate letter when he was families, children and social development minister.

But when COVID-19 struck in early 2020, child care was one of the hardest-hit sectors. Child-care workers were essential to allowing doctors and nurses to go to work, but their own workplaces got slammed. Parental fees dried up, spaces closed, and those who were left working with a young unvaccinated population found themselves (still) poorly paid, not prioritized for either vaccines or for the child care offered up on an emergency basis to other front-line workers.

In April 2020 — a month into the pandemic — Hussen says he went to Trudeau, who told him, "I'm not going to say yes, I'm not going to say no, but see what you come up with. Build your case."

Over the course of the next year, Hussen ran more than 400 meetings on Zoom, starting with people in Finland, Norway and Sweden to find out how to do it, what benefits could result, and what mistakes to avoid.

Deputy Prime Minister Chrystia Freeland, who's fond of saying her own mother advocated for child care after the 1970 Royal Commission report, made it the centrepiece of her first budget in April 2021.

By the time the 2021 election came along, Hussen had signed deals with seven provinces and one territory.

On Monday, Trudeau hailed Hussen for getting the ball rolling, and his successor Karina Gould for bringing the final deals "home in some very tricky negotiations."

But the reality is many of the details were personally discussed and finally nailed between their offices, top aides, the two leaders and Freeland. Ford hailed Trudeau for working "side by side, shoulder to shoulder, forget the political stripes," and said the federal assurances were instrumental in winning his support.

"Given how complex Ontario's child-care system is, we wanted to get this right. Today, we're delivering a deal that will keep money in the pockets of hard-working parents," the premier said Monday.

The historic agreement should help create 86,000 child-care spaces. However, that number is counted from 2019 onward, so Ontario, which was already spending \$1 billion to create 30,000 new spaces, should see another 56,000 created.

Ontario's agreement stipulates a wage "floor" of \$18 an hour for staff, and \$20 an hour for supervisors, rates that would rise by \$1 a year until 2025 up to \$25.

Kerry McCuaig, an expert in early childhood policy at the Atkinson Centre, University of Toronto, slammed the wage provisions in an interview with the Star, saying it is a pitifully low amount that will not bring more qualified workers into a sector that was hard hit during the pandemic.

"I think people will be very upset," McCuaig said.

Many trained Ontario child-care workers now receive a \$2 top-up from the province to the \$15 minimum wage, but at \$17 an hour still make less than the median \$20 an hour across Canada, she said. She added supervisors will see their wages "red-lined" at \$25 an hour — an amount she said is completely inadequate.

"A wage floor has a way of becoming a wage ceiling," said McCuaig.

The province's existing child-care tax credit program, which helps subsidize 300,000 families in licensed and unlicensed child-care centres for up to 75 per cent of their costs, will continue.

Queen's Park will work with municipalities to enrol 5,000 licensed and in-home child care into the program by Sept. 1 to ensure parents can benefit from lower fees.

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