

Ontario financial watchdog report warns staffing shortages, limited space could blunt impact of \$10 child care ^[1]

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Access online ^[2]

Excerpts

A report from Ontario's Financial Accountability Office concludes that the implementation of \$10-a-day child care has the potential to improve women's participation in the work force and reduce the gender wage gap, but warns that the effect could be limited without adequate spaces and staffing.

The report, released Tuesday, examines the potential impact on the labour market of the federal child care program. Ontario signed on last year, but the program has already been overshadowed by complaints of staff shortages and long waitlists. These have been made worse by increased demand as a result of the lower rates.

The report finds that the average Ontario mother's earnings are cut in half after having a child, and that it can take up to four years for a woman's income to return to prechildbirth levels. In 2022, 39.3 per cent of children below the age of six in Ontario were in child care, the lowest rate in any Canadian province.

Mr. Lewis said retention of child care workers has also been a problem, especially during the pandemic.

The federal government announced the child care program in its 2021 budget. The program's aim was to reduce child care fees across the country by 50 per cent from 2019 levels by the end of 2022, and to further reduce fees for all regulated child care spaces for children under the age of six years to \$10 a day by 2026.

Last year's federal budget allocated \$30-billion over five years to fund child care agreements with provinces and territories, and earmarked \$625-million over four years, beginning in 2023-24, for an Early Learning and Child Care Infrastructure Fund.

Ontario's agreement with the federal government includes funding to increase child care staffing levels. The province has funded tuition grants for early childhood education programs since 2007.

Ontario Education Minister Stephen Lecce acknowledged that the government has more work to do if it hopes to bring fees down to an average of \$10 per day and increase the number of child care spaces. He said the government has already reduced fees by half and plans to add more than 80,000 spaces, including 30,000 in schools.

"We're making a difference," he told reporters at the provincial legislature. "And more women are working today, as noted in the FAO report. That is progress."

Martha Friendly, executive director of the non-profit Child Care Resource and Research Unit, said the recent reduction in fees, and the prospect of them coming down to \$10 a day, has already increased demand for spaces.

She said setting up an affordable child care program, such as the one planned in Ontario, takes time, and that the work should have started long ago. She argued that the pay for child care workers is too low.

"You need the work force to work at it," she said. "And that's a huge problem because of the wages, which have not yet been addressed in Ontario."

Ontario's Opposition New Democrats released a statement saying that the report's conclusion that there is a "motherhood earnings penalty" is concerning, and that Premier Doug Ford's Progressive Conservatives have not adequately invested in child care.

The report "shows that subsidized and accessible childcare would drastically increase the number of women in Ontario's workforce," the statement says.

Ontario Green Party Leader Mike Schreiner said in a statement that the province needs to invest in hiring and retaining child care workers, which he said will not happen without fair wages and safe working conditions.

"We need to uphold our end of the bargain to ensure \$10-a-day childcare is available to all families in Ontario," he said. "Ontario needs an equitable labour market. And to get there, we must guarantee affordable and accessible childcare."

Related link: Women in Ontario's Labour Market: Progress, challenges and potential impacts of \$10 a day child care [3]

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