

# Big pay-off from child care centres [CA] <sup>[1]</sup>

Letter to the editor

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## AVAILABILITY

See text below.

## EXCERPTS

I am writing regarding the article, **Minister Wants Irreversible Program** <sup>[2]</sup> in the June 6 edition of the Leader-Post to express my support for the very important initiative mentioned in the article.

Canadians long have been promised a national daycare/early childhood development program and, fortunately, with a minority government it looks like it finally will come to fruition.

Canada is lagging behind other industrialized nations (save the U.S.) with respect to child care and early childhood development.

The returns to society of early childhood development programs is well documented. Robert Lynch of the Economic Policy Institute wrote a book called *Exceptional Returns: Economic, Fiscal, and Social Benefits of Early Childhood Development*, detailing the extensive benefits the program proposed by the federal government brings to society.

In sum, Lynch's research indicates that for every \$1 invested in early childhood development, the return on investment to society is \$3. This is clearly an area where tax dollars should be invested.

There are a few common arguments that are used against this program.

The first is that we should encourage parents to look after their children by offering a tax credit to stay-at-home parents. This argument doesn't hold much water, as families already receive tax credits if one spouse stays at home, and additional credits are provided as the number of children increase.

Another argument is that people shouldn't pay for a program they don't use (i.e., why should non-parents' taxes pay for such a program). This again is a poor argument. As I mentioned above, society as a whole gets a massive return on investment for such an initiative. Everyone benefits when children develop into healthy, intelligent, productive members of society.

Economists call this phenomenon, where additional benefits accrue to others beyond the target group, a positive externality. Where positive externalities exist, the government has a very important role to play with respect to funding, and this is no different with respect to daycare/early childhood development.

Unfortunately (but not surprisingly), the Conservatives oppose such a noble and beneficial program. I recently received a pamphlet in the mail from Conservative MP Dave Batters deriding the proposed program and instead promoting the Conservative's "choice" option.

Sadly, this choice is between overpriced daycare or daycare of questionable quality. Based on preliminary estimates, the Conservative tax credit amounts to little more than \$300 a year, hardly enough to make a dent in rising child care costs.

Further, the Conservative plan does nothing to address the extremely high costs of child care, the underpaid child care staff, quality issues that currently exist, or anything at all regarding early childhood development.

I think the Conservative opposition further demonstrates the increasing irrelevance of right-wing policies to Canada. The Conservatives federally and the Saskatchewan Party provincially have gone to painstaking lengths to position themselves as "moderate" because they know their policies are unpopular, and have failed elsewhere.

But luckily for the rest of us, when a good policy is proposed, their true colours show.

I, like many other Canadians, am happy to see a return to some good public policy at the federal level. I suppose the lesson in all this is that minority governments, despite the recent political silliness of the two main parties, tend to pass very good legislation.

- reprinted from the Regina Leader-Post

**Related link:** Exceptional returns: Economic, fiscal, and social benefits of investment in early childhood development [3]

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