

Child-care cuts a risk to economy ^[1]

Author: Monsebraaten, Laurie

Source: Toronto Star

Format: Article

Publication Date: 3 Feb 2010

AVAILABILITY

See text below.

EXCERPTS

Toronto single mom Theresa Sharder would still be on welfare wondering what to do with her life if she hadn't found a subsidized child-care spot a year ago.

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"Child care has allowed me to think about the future," says Sharder, whose life spiralled into addiction and homelessness after the death of her father when she was 13.

But the future for Sharder and thousands of other parents who rely on subsidized child care is in doubt if Queen's Park doesn't replace \$63.5 million in federal child-care funds, set to run out March 31, advocates say.

Parents won't be the only ones to suffer, warns the Ontario Coalition for Better Child Care.

More than 3,000 child-care sector jobs would be lost, causing a ripple effect that would suck more than \$148 million out of Ontario's economy, says an analysis commissioned by the coalition.

The report is the first analysis of the role of child care in the province's economy, says the coalition, set to release the research Wednesday.

"We've always known early learning and child care is good for the economy because it helps parents work," said coalition coordinator Andrea Calver. "But now we have the numbers to prove it.

...

In addition to investing at least \$63.5 million in the spring budget to maintain child-care services, the coalition wants the province to help daycares adjust as 4- and 5-year-olds move to full-day kindergarten.

The analysis is based on a report by municipalities last fall that predicted the loss of the federal funding would wipe out 7,605 daycare fee subsidies for children from low- and moderate-income families and cut wage subsidies to 5,275 low-paid child care workers.

The \$148 million calculation is conservative because it doesn't include the economic impact of an estimated 3,480 parents who would lose their jobs because they would have no other child-care options, says the analysis by the Centre for Spatial Economics. Nor does it include the cost of parents who may be forced to rely on welfare.

The federal money is part of \$252 million in child-care funds Ontario received in 2006 before Prime Minister Stephen Harper cancelled a \$5 billion child-care plan.

- reprinted from the Toronto Star

Region: Ontario ^[2]

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