

# Ontario's \$63.5 million child care question <sup>[1]</sup>

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**Source:** Rabble

**Format:** Article

**Publication Date:** 16 Mar 2010

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## EXCERPTS

The Harper government's first-ever budget, tabled five years ago, unleashed a ticking time bomb that is set to explode on Ontario's childcare sector this year.

That budget cancelled the beginnings of a national childcare program, leaving Ontario \$63.5 million short of keeping its subsidized spaces open to low-income working parents this year.

The feds kissed off the childcare program with a one-time funding envelope, which Ontario used to sustain subsidies. As the envelope ran out last year, the province even stepped in with \$20 million to fill the gap. But Ontario was clear that it held the hope that the federal government would do the right thing and reinstate the funding.

However, last week's federal budget made it crystal clear that the Harper government has no intention of funding subsidized childcare in Ontario, or anywhere for that matter. That duty now lies at the feet of our provincial government.

Some doubts remain as to whether the McGuinty government is prepared to face facts and turn its temporary fix into a long-term solution.

It continues to portray the problem as a federal one and has, so far, refused to commit to maintain its \$63.5 million funding for childcare.

If it fails to live up to its duty, Ontario's childcare sector could very well collapse: at least 7,600 childcare spaces throughout the province would vanish overnight, leaving parents with no options.

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With early learning as the centerpiece of McGuinty's second term in office, none of this makes sense.

Walking away from the childcare sector kills thousands of child care jobs and creates a ripple effect of unemployment among parents at a time when the province is still in need of fiscal stimulus.

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That creates unnecessary pressure on family budgets, especially those with lower incomes who will find themselves without a childcare subsidy. In turn, this will put pressure on federal, provincial and municipal budgets, since unemployed parents will be forced to turn to Employment Insurance and welfare to get by.

A recent study by the Centre for Spatial Economics estimates the

loss of \$63.5 million in childcare funding could result in a total loss of GDP of \$148.3 million.

In the City of Toronto alone, the loss of family childcare subsidies would force many parents into unemployment, resulting in the potential loss of almost 3,500 jobs and an increase in government spending on social assistance.

The consequences of pulling funding are clearly catastrophic.

The reverse is true: by committing to childcare, the McGuinty government can save jobs, contribute to the province's economic recovery and build on its promise to make Ontario a leader in early learning.

The economic case for the \$63.5 million solution to Ontario's childcare crisis is so strong, early learning advocates are scratching their heads over the way the situation has turned out.

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By securing childcare spaces, it enables parents to stay in the paid workforce, contributing to the local economy and to government revenues needed to slay the recession-made deficit.

It gives children the best start in life, equipping them with the supports they need to become lifelong learners and, ultimately, the next generation of thought leaders in an increasingly competitive global economy.

And because child care workers tend to have modest incomes, they're more likely to spend their wages in their own community, directly boosting their local economy at a time when we need it most.

How does a \$63.5 million investment in children, in families, in jobs, and in Ontario's economic health compare to other spending commitments?

In last year's budget alone, the McGuinty government dropped \$4.5 billion in corporate tax cuts over the next three years at a time when Ontario can ill afford such giveaways. Investing in early learning for our children yields far greater benefits.

The \$63.5 million childcare question is a problem looking for an answer. There is still time for the McGuinty government to come to its senses. If it does, it could prove to be the highlight of this year's provincial budget.

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- reprinted from Rabble

**Region:** Ontario <sup>[2]</sup>

**Tags:** budget <sup>[3]</sup>

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