

Kid's stuff- childcare money appears ^[1]

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EXCERPTS

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The issue: whether or not a government (even one with a \$21.3 billion deficit) could afford not to finance childcare. The optics and economics were clearly more compelling on this one for spending rather than saving the experts argued. That may be how money to save 8,500 subsidized child care spaces, which would have been lost in Ontario after \$63.5 million in federal funding was not renewed by the Harper government, magically appeared in yesterday's budget.

Consider this: The government announced in the Throne Speech it had "made education its highest priority," promoting its \$1.5 billion legislation on new full-day learning for four and five year olds, as "a plan to help more children get a strong start in school . . . lift more children out of poverty . . . help busy parents balance their work and their family lives . . . and build a stronger economy for Ontario." But where was childcare funding, which experts say has gone beyond a social service to become a mainstay of infrastructure for any city vying for a top spot in the global knowledge economy? Among the reasons the cabinet may have initially excluded it, sources told the Briefing:

A powerful lobby from private day care companies, including Edleun, which has well-connected former Mike Harris government education minister John Snobelen as a board member.

A gender split on the issue that may have included a battle royale at the cabinet and caucus level of the Liberal government.

The province playing hardball with the Harper government, which cut the former federal Liberal government's funding to the provinces for childcare, to force it to stop downloading costs to the province. And, of course, the \$21.3 billion deficit, that left Finance Minister Dwight Duncan little room to manoeuvre.

So what turned the tide?

Shortly after the throne speech, several childcare advocates, including representatives of both from the Childcare Resource and Research Unit, Campaign 2000 and the City of Toronto were invited to make presentations to politicians and staff in a general meeting, and to two finance ministry staff in a separate meeting. As well, labour representatives, including Stella Yeadon of the Canadian Union of Public Employees, which represents about 8,000 childcare workers, met with Duncan. Also making a presentation to ministry staff was Robert Fairholm of The Centre for Spatial Economics. His work shows that for every dollar invested in childcare there is a \$2.54 cent return to the economy and that investing in childcare is the highest job creator stimulus money can be used for, much higher than investing in construction projects, for example. In fact, childcare workforce shortages cost the economy \$140 million and 50,000 person years in the

six years between 2001-2007, his research found. More importantly, in the presentation he made to finance ministry staff after the Throne Speech, he pointed out: Even a 1 per cent increase in the cost of early learning and care, leads to a 0.38 per cent drop in parental labour force "and could push some onto welfare."

Further, he found:

The total impact on GDP if the Ontario government didn't replace the \$63.5 million for childcare subsidies the federal government cut: \$148.3 million.

Loss of childcare and related jobs: 3,030.

Possible losses of an additional 3,480 jobs, as parents drop out of the workforce because of the loss of subsidies.

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The female lobby in cabinet, 11 of 26 ministers are women, combined with the work of women across the province on this issue, may have won the day, Yeadon believes. "This is their constituency, female voters in urban centres," Yeadon said of the Liberals. NDP leader Andrea Horwath told the Briefing that women at the Liberal cabinet table had remained mum on the issue in the weeks leading up to the budget, "But if I was a woman at the cabinet table, I'd have been working hard to make sure the government does the right thing." Horwath also pointed out that childcare has gone beyond being a social services issue. "It's an economic imperative that families have access to childcare so they can engage in the workforce and retrain in this economic climate." If the government didn't see this "as a big part of getting Ontario back to work," they would have been missing something important.

In the end, childcare speaks not only to the government's focus on early childhood education to make Ontario more globally competitive but also to the government's focus on anti-poverty measures, since it helps single mothers enter the job force, who otherwise couldn't, she said.

"They want it to be their legacy," said Martha Friendly of the Childhood Research and Resource Unit. "This is one of their best initiatives."

Region: Ontario ^[2]

Tags: budget ^[3]

funding ^[4]

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[1] <https://childcarecanada.org/documents/child-care-news/10/03/kids-stuff-childcare-money-appears> [2] <https://childcarecanada.org/taxonomy/term/7856>

[3] <https://childcarecanada.org/category/tags/budget> [4] <https://childcarecanada.org/category/tags/funding>