

# Child care a surefire investment for government <sup>[1]</sup>

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## EXCERPTS:

Imagine an investment where you can receive a 40-per-cent rebate, then get an annual rate of return from seven per cent to 16 per cent with a guarantee of at least a 300-per-cent to 400-per-cent overall return of the initial investment in the first 10 years. Does this sound too good to be true?

Perhaps it is, but a broad assortment of "experts" back these claims and suggest it gets even better when the economic spinoffs come into play. The C.D. Howe Institute found the Quebec model of providing child care resulted in an increase of 40 per cent in tax revenue. The World Bank claims investing in the early years yields an annual rate of return between six per cent to 17 per cent. Stacks of research on the cost/benefits of high quality child care are conservatively placing the investment at a rate of \$3 to \$4 returned for every dollar invested; and the gold standard, using a 21-year longitudinal study for the HighScope Perry Preschool project, show a return rate of 17 to 1.

In Manitoba, they found child care created economic windfalls in local economies. Using an input-output analysis, researchers found for every dollar spent in child care, a financial multiplier effect occurred which resulted in an additional \$1.58 spent in the local economy. The Child Care Coalition in Manitoba found for every two child care jobs initiated, an additional new job was created in the community. That's an immediate financial return of 58 per cent and an additional 50 per cent in job creation. This makes sense considering our demographics.

In 2006, more than 40 per cent of low-income families had at least one parent who worked full time. In the same year, more than 60 per cent of low-income children lived in families where someone was piecing together various working arrangements through part-time and seasonal employment. In Canada, we now have a large segment of the working population called "the working poor." Child care is not only a job creator, it is an economic equalizer that increases spending in local communities.

Child care is the best antidote to many social and economic ills. Quality child care supports the education system by reducing expenses related to remedial supports. It supports citizenship by decreasing crime. It enhances a country's long-term productivity by creating an engaged workforce. There is a mountain of research supporting these facts. Child care is cited in preventing crime and lowering poverty rates, as well as increasing health and education standards. Many progressive countries are presently hedging their bets and investing in themselves, except, of course, for Canada.

On an international scale, Canada is one of the worst industrialized countries in providing for its young. A 2008 report from UNICEF's Innocenti Research Centre ranked Canada dead last, out of 25 countries, in meeting international standards for the early years. In 2006, the Organization for Economic Co-Operation and Development ranked Canada at the bottom of the barrel of the 20 wealthiest countries in spending in the early years with a meagre 0.25 per cent of GDP. What's even sadder is in a nation that is falling behind, British Columbia is the worst. For the last eight years, we have led all other provinces in child poverty.

We have the ability to finance the investment by making better choices. According to the Fraser Institute, Canada has spent more than \$144 billion in corporate welfare bargains between 1982 and 2012, with more than \$6 billion distributed - no repayment expected. Harper's \$100-a-month payment to families with young children cost \$2.4 billion in 2007-08, with no accountability. Our province spent a million dollars a month on interest payments for Olympic Village overruns (Vancouver Sun, Nov. 10, 2010). Governments have money to spend on projects to "stimulate the economy," but Canada refuses to invest in children due to a lack of political will.

We need to make a commitment to ourselves as a society and have the foresight and patience to wait for the long-term gains. The benefits are undeniable. What is lacking is the political will to make a commitment that will outlast a political term. If you're reading this and want to know more, check my sources and go to [www.cccabc.bc.ca/plan](http://www.cccabc.bc.ca/plan) <sup>[2]</sup>. If people are half as passionate about supporting young children, their families and our communities as we were in fighting the HST, then we will make a difference. We can invest in ourselves now, or pay a greater price later. It's up to us.

-reprinted from the Vancouver Sun

**Region:** British Columbia <sup>[3]</sup>

**Tags:** advocacy <sup>[4]</sup>

funding <sup>[5]</sup>

## Links

[1] <https://childcarecanada.org/documents/child-care-news/12/10/child-care-surefire-investment-government> [2] <http://www.cccabc.bc.ca/plan> [3] <https://childcarecanada.org/taxonomy/term/7860> [4] <https://childcarecanada.org/category/tags/advocacy> [5] <https://childcarecanada.org/category/tags/funding>