

Boost child care spending for big payoff, bank urges^[1]

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EXCERPTS:

OTTAWA - A new report from TD Bank urges federal and provincial governments to invest heavily in the child care sector once the economy improves, but leading advocates say children and families desperate to find spaces in quality programs now shouldn't have to wait that long.

The report by TD's chief economist Craig Alexander confirms what proponents of early childhood education have said for more than two decades.

Quality child care programs lead to superior cognitive and language development, as well as improved numeracy. Children who enter the school system after being in child care repeat grades less often, usually graduate on time and have a higher likelihood of attending college or university.

The effects of positive educational experiences in the early years ripple throughout a child's life, often leading to better job prospects, higher earnings and less chance of ending up in poverty.

"The biggest bang you get for your government dollar in terms of investment is investment in education in young individuals," Alexander said in an interview.

"The earlier you invest, the bigger the payout you get."

But the benefits extend far beyond children.

Access to child care allows parents to return to work or upgrade their skills, while employers benefit from having workers who aren't stressed about their children's safety and security during the work day.

And numerous studies suggest the return on investment ranges from \$1.50 to nearly \$3 for every dollar spent on early childhood education. The figure grows to double digits for children from disadvantaged families.

Despite the compelling evidence, child care programs in Canada are insufficiently funded and continue to be rolled out in a piecemeal fashion.

"One of the challenges we have as a country is we view early child care almost as welfare, whereas it really should be thought of as education and development," Alexander said.

Canada spends just one quarter of one per cent of its annual GDP on child care, putting it dead last among comparable European and English-speaking countries, the report says.

Even after factoring in family support - including child payments, parental leave benefits and child care support - public spending in Canada is 17 per cent below the OECD (Organization for Economic Co-operation and Development) average.

Families in every province and territory outside of Quebec cover 50 per cent of child care program costs - the fourth highest ratio among select OECD countries.

Alexander said he was "very surprised" to find out how little we spend compared to other countries.

"I generally think of Canada as having a very strong emphasis on education and skills development and I would have expected Canada, if not at the top of the pack, to at least be pretty close to the average," he said.

In fact, Canada would have to pump \$3 billion to \$4 billion into the sector just to bring us up to the average of other industrialized nations, the report says.

Advocates say the time to act is now.

"We shouldn't make a generation of children wait," said MP Chris Charlton, the NDP's spokeswoman on child care issues.

"It really does just take political will at the national level to make it a priority."

The head of an Ottawa child care agency welcomed the report, but agreed governments shouldn't wait to make much-needed investments in the sector.

"Since we know that high-quality care encourages employment, maybe it isn't appropriate to wait. Maybe some of the challenges that we're facing are because people can't access high-quality care," said Kim Hiscott, the executive director of Andrew Fleck Child Care Services.

She said the Quebec model - where parents pay \$7 a day for child care - should be emulated in other parts of the country.

Even raising the fee to as high as \$10 per day would allow families to make ends meet and still make it possible for agencies to pay workers a fair wage, Hiscott said.

By comparison, the daily fee for toddlers at her centres now is \$70 per day.

Charles Pascal, the province's former special adviser on early learning - whose landmark 2009 study laid the foundation for Ontario's full-day kindergarten program, agreed that funds need to flow.

"This is absolutely the right time to invest," he said, noting Ontario Premier Dalton McGuinty pumped \$1.5 billion into the kindergarten initiative despite the downturn in the province's economy.

"This is the time to provide an antidote to the next downturn," Pascal said. "If you wait, then you miss the best opportunity to actually make investments."

But injecting millions into the child care sector at a time when governments across the country are under pressure to balance the books would be a hard sell, Alexander said.

"I don't think that's a realistic ask in the current environment."

He hopes the report will highlight the value of investing in child care so policy-makers down the road will increase funding once their governments have the money to do so.

While numerous provinces are currently increasing investments in the early years, a national child care strategy remains notably absent.

Former prime minister Paul Martin had reached a deal with provinces in 2005, but it was axed when Stephen Harper came to power.

Instead, the Conservatives introduced the Universal Child Care Benefit, which provides families with \$100 per month to offset child care costs.

-reprinted from the Ottawa Citizen

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