

# Good child care is good for the economy <sup>[1]</sup>

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## EXCERPTS

This week, hundreds of educators, academics and activists gather in Winnipeg for the fourth national child-care conference. They are united by a vision of a universal early childhood education and child-care system in Canada. Here in Manitoba, we have made steady progress toward this goal. A strong federal partner at the table would take things to the next level.

Good Manitoba public policy, enhanced since 1999 under the NDP, has helped to build a primarily not-for-profit system with quality regulations. When it comes to fees, Manitoba has long had a provincial fee cap for licensed child-care spaces, to keep costs affordable. As a result, Manitoba's child-care fees are the lowest in Canada, outside Quebec -- but there's still a big gap: monthly toddler care costs \$152 in Quebec compared with \$451 in Winnipeg. In contrast, Manitoba fees are well below those in Ontario and B.C. Vancouver parents of toddlers pay an average of \$1,215, and Toronto parents see bills of \$1,324 per child per month.

Manitoba has managed to become "the best outside of Quebec" thanks to a strong provincial commitment, even in the face of economic forces such as two major floods, the 2008-09 recession and declining federal transfer payments. A choice was made to commit to children, parents and early childhood educators and invest in economic development.

When child care is readily available and affordable, women's labour-force participation grows and birth rates hold steady or increase. Research on the impact of the \$7-a-day child-care program in Quebec concluded women's labour-force participation is eight to 12 per cent higher than it would have been without the supply of affordable child care. Quebec's child-poverty rate has plummeted by 50 per cent. Many parents who cannot find child care are in part-time work and patch together child care. Quebec women are least likely to cite child care as the reason for part-time work. In contrast, nearly half of Alberta's part-time female workers say they work part-time because they do not have child care.

Early childhood education and child care (ECEC) advocates agree the federal government needs to play a leadership role to address the widespread lack of access to child care across this country. As a whole, Canada has child-care space for only about one-in-five children. Within a structure similar to the health system, a federal ECEC system framework would establish goals and broad standards, while provinces and territories would control delivery.

Canada has never had a national ECEC program, outside of a few exceptional years during the Second World War. The Harper government cancelled the federal/provincial/territorial agreements that were the basis of an early federal program in 2006. The federal Conservatives' Universal Child Care Benefit, which will soon increase to \$160 a month, does little to help parents secure child care. When ECEC services are not just expensive, but also very scarce, governments need to develop new programs, as well as ensure costs are affordable. The \$4.7-billion cost of new and proposed federal income-tax-splitting policy could help many more families if the funds were spent developing Canada's long overdue national child-care system.

Recently, the federal NDP government proposed a \$15-a-day child-care program with one million more spaces nationally. The public expenditures on such a program would be more than repaid in economic and social benefits. Economists have demonstrated Quebec's child-care system is actually profitable, once the new taxes paid by newly working mothers is factored in. In fact, economist Pierre Fortin (who will be speaking at the Winnipeg conference), has concluded "the tax-transfer return for the public sector significantly exceeds its cost."

Despite such evidence about economic and social benefits, Canada severely lags behind other nations when it comes to ECEC. Our public spending on early childhood education and care is half the OECD average and just one-third of the recommended minimum one per cent of GDP spending on children, from infancy to five years. At the same time, Canadian corporations enjoy some of the lowest tax rates in the G8. Many businesses understand the need to invest in early childhood education -- after all, experts estimate the cost of work-family conflict is a staggering \$4 billion a year. Child care goes a long way toward promoting work-family reconciliation, while also supporting children and their parents.

Extensive research links good early childhood education to school readiness in the K-12 system, which leads to further success in post-

secondary education and the labour force. Moreover, gender equality grows when women's choices are increased.

As early childhood education and child care leaders gather at the heart of Canada to look to the future, we all need to reflect on where our priorities are so future generations of parents do not struggle to find and pay for quality, affordable early childhood education and child care.

**Region:** Canada <sup>[3]</sup>

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

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