

Hamilton forgets its poorest citizens ^[1]

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EXCERPTS

Hamilton is a city with significant poverty, particularly among children. The 2013 Ontario Municipal Benchmarking Initiative (OMBI) shows 5,939 per 100,000 households are receiving social assistance, a poverty rate surpassed only by Windsor, London and Toronto. Twenty-six per cent of all its children are living in low-income households, second only to Toronto with 33 per cent.

Many of the poorest households are clustered in the lower city. Nate Laurie, author of the 2008 report "The Cost of Poverty, an analysis of the economic cost of poverty in Ontario," has shown there is a relationship between poverty and poor health outcomes, lower productivity, lower educational attainment and children's future income.

The provision of high-quality early learning and care can help reduce poverty as the campaign for a poverty-free Canada, "Dignity for All," advocates. The famous 2005 High/Scope Perry Preschool Study and others since, have shown the benefits to be more high school graduations, and more likelihood of employment and college graduation, all reducing the child's likelihood of poverty as an adult. High-quality early learning and care also provide economic benefits to the family.

The "Business Insider," noted that Sir Christopher Pissarides, Nobel laureate economist at the London School of Economics, said that the most brilliant, simple idea to spur economic growth is subsidized child-care. Both parents can then afford to work, a third worker in the child-care field is added, and all three pay taxes. This is borne out in Quebec. When accessible and affordable child care was provided, poverty declined by 50 per cent. Workforce participation, hours worked and annual earnings increased.

However, the provision of licensed child-care in Hamilton is below the Ontario median, and there were only spaces for 16.4 per cent of all children up to 12 years of age in 2013. OMBI shows only Waterloo and Windsor municipalities have lower percentages.

Child-care in Hamilton is not evenly distributed. Most licensed care is in the affluent Ancaster area, with spaces for 32 per cent of all children. Rural and inner city areas are underserved. Families living in the rapidly growing Glanbrook Township have licensed care spaces available for only 4.9 per cent of all children. Families living in the poorest wards - 2, 3, 4, and 5 -, also have limited choices with spaces available from none to 12.3 per cent.

Child-care subsidies are provided to the poorest families and 23 per cent of all spaces in Hamilton were utilized for subsidy in 2013. The Social Planning & Research Council of Hamilton bulletin "Recession Impacts: Unemployment" (January 2013) reported that Hamilton had sufficient money for subsidies for just under half of its children living in poverty.

Funding for licensed child care comes from provincial funding, from the municipal tax base, and a small proportion from fees where municipalities provide child-care directly themselves. The Toronto-based Child Care Research and Resource Unit reports that 45 per cent of all funding allocated in Ontario is for parent fee subsidies. Municipalities must fund half the cost of child-care administration and 20 per cent of all subsidies. Some municipalities have chosen to provide more than this minimum from their municipal tax base.

The proposed Hamilton 2015 budget shows that 12.4 per cent of all revenue for children's services (largely child care services) will come from the local tax base. Ottawa (20 per cent, 2014), Toronto (18 per cent), Peel (19.2 per cent), Halton (29 per cent) and Waterloo (24 per cent) project proportionately more from the local tax base.

So Hamilton has a smaller percentage of child care spaces available than most other municipalities. These spaces are not evenly distributed, and are fewer in low income or rural areas. There are insufficient subsidies for all children who qualify, and the amount Hamilton allocates from the tax base toward these is lower than some other municipalities.

In light of the needs of Hamilton's children, and the economic benefits that licensed child-care brings, how can Hamilton do better?

Region: Ontario ^[3]

Tags: poverty ^[4]

regulated family child care ^[5]

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<https://childcarecanada.org/category/tags/regulated-family-child-care>