

Who will pay and how much for universal day care?^[1]

The child care conundrum part 3

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AVAILABILITY

Read online and video ^[2]

EXCERPTS

Lindsay McGinn's child care costs were reasonable. She paid \$23 a day for her daughter Amina to be in a subsidized day care space in Ottawa.

Amina turned two in January, around the same time McGinn gave birth to the family's second child, Isaac. Three weeks after Isaac arrived on Jan. 4, the family lost Amina's subsidized care under municipal rules that say a family with one parent at home on parental leave can't have a second child in a subsidized day care space.

McGinn is doing a master's degree at the University of Ottawa. Her husband works full-time. They can't afford \$75 a day for a full-cost spot at Amina's day care, which is the average rate for a day care spot in Ottawa. Instead, Amina goes to a home day care two days a week and her grandparents take her an extra day or two a week to a playgroup.

"I'm not even getting any EI for this pregnancy so we're really down to bare bones. I understand the rationale: I'm going to be at home. There are other people waiting for a subsidy," McGinn says. "My friends with jobs can afford to keep their older kids in day care part-time. I'm happy to have (Amina) at home, but for her, she loves day care."

If the price were right - maybe even lower than \$23 a day - Amina could stay with her friends at her day care centre.

Keeping the daily cost of child care as low as possible is a centrepiece of the NDP's campaign platform heading into the 2015 vote. NDP Leader Tom Mulcair has tied his party's hopes to the campaign pledge of a federally funded child care program. It's a costly promise in more ways than one.

What parents pay now

The average cost of a child care space in Canada is about \$11,000 a year. The numbers, however, vary by province and by age group: Spaces for children up to 18 months of age cost as much as \$20,000 a year and pre-schoolers aged three to five run an average of \$8,000 annually. Quebec has the lowest fees in the country, thanks to its popular \$7-a-day taxpayer-subsidized system. Even when rates rise next year to a maximum of \$20 a day, Quebec will have the cheapest infant rates and will be second to Manitoba for the cheapest rates for toddlers (between 18 months and three years) and pre-schoolers.

Just as costs vary by province, so does affordability, which is most stark in the National Capital Region.

A study from the Canadian Centre for Policy Alternatives compared a woman's income and the amount parents pay for child care, on average, in each city. (The study looked at pre-tax income from women age 25 to 34, which roughly represents child bearing years.) In the National Capital Region, the study found that about 26 per cent of a working woman's income in Ottawa goes towards child care versus 3.7 per cent for a woman in Gatineau. In other words, an Ottawa woman needs to work about three months to cover one year of child care, while in Gatineau it takes about two weeks to do the same.

Child care in Ottawa accounts, on average, for about 20 per cent of an overall household's after-tax spending, compared to 3.7 per cent for families in Gatineau, according to a Citizen analysis using data from the Canadian Centre for Policy Alternatives study and data from Statistics Canada about household consumption.

"My wife has a good job, I have a good job, we have resources, but what we were paying at the start, our day care payment was more than our mortgage payment," says Chris Pulfur of sending his daughter, Maya, to day care. "We knew it would be expensive, but that was a bit of a shock."

Generally, most of the child care bill covers wages for employees. In non-profit centres, where data is more easily available, between 80 and 85 per cent of expenses are for staff salaries. The costs are generally higher in non-profit centres, where staff are usually unionized and have early childhood education degrees or designations.

(Those wages have, on average, stayed flat for over a decade, after inflation is worked in, according to the Childcare Resource and

Research Unit in Toronto.)

"They do incredibly important and exhausting work," said Rebecca Hall of the day care workers who watch over her 22-month-old daughter, Eliza. "Why are we not recognizing them as being important contributors to our society?"

"They need better people working in better day cares and that's where the government can make a difference," Hall said.

Region: Canada ^[3]

Tags: affordability ^[4]

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