

# P.E.I. childcare subsidies spending down 19% <sup>[1]</sup>

Source: CBC News

Format: Article

Publication Date: 16 Apr 2015

## AVAILABILITY

Read online <sup>[2]</sup>

## EXCERPTS

The number of children covered under the childcare subsidy program through the P.E.I. Department of Community Services declined steadily from 2011 to 2014.

There are now 430 fewer children receiving coverage over that time, a decline of 21 per cent. Over the same time frame spending on childcare subsidies dropped from \$3,659,563 in 2011 to \$2,965,602 in 2014, a 19 per cent drop.

A spokesperson for the Department of Community Services says eligibility rules haven't changed, but suggested one factor could be a decline in the overall number of pre-school-age children. From 2011 to 2014 enrolments in Island schools dropped by 3.4 per cent.

Michelle Jay, program coordinator for the P.E.I. Advisory Council on the Status of Women, said the lack of change in eligibility rules could in itself explain the drop in numbers. The financial threshold to qualify for a childcare subsidy hasn't been adjusted since 2010. Jay said as incomes gradually rise over time more parents would find themselves pushed over the threshold and unable to receive support.

Right now, a single parent with one child qualifies for a full subsidy up to a monthly income of \$1,450. A partial subsidy that diminishes as income rises is available for parents with a monthly income up to \$2,453. No subsidy is available beyond that.

"It feels very, very unfair to be punishing people who are trying to better themselves, and trying to do exactly what we encourage people to do all the time: Get off the system. Get out there and be productive," said Jay.

"They want to do that. They can't do that unless they get assistance, especially with childcare."

Jay also said there's a lack of consistency in decisions over eligibility because cases are handled on a case-by-case basis.

"We understand there needs to be some discretion, and individuals have their own specific needs," she said.

"But a level of consistency that would mean you would have some accountability as well would be something we would push for, because if everything is individualized then there's never any accountability."

Aleisha Deroche is one mother who has bumped up against the income thresholds for assistance.

She said it's all she can do to meet the financial challenge of attending university as a single parent.

"You're paying all your money towards daycare," said Deroche.

"My student loan has gone towards paying for daycare, ultimately."

The 29-year-old works part-time as an LPN. She's been studying at UPEI the past two years to become a registered nurse.

Last year she applied for childcare assistance through the Department of Community Services. She was accepted, but found the partial subsidy she received, combined with her student loan, wasn't enough to make ends meet. So she would pick up shifts as an LPN on the weekend.

But every time she worked a shift the added income would push her over the eligibility threshold and her childcare subsidy would disappear. She said her student loan was counted as income under the program's eligibility rules.

"It's frustrating and discouraging. I felt like, not that because I'm a single mother I should receive a daycare subsidy, but it makes it really hard to be successful," she said.

Jay said the P.E.I. Advisory Council on the Status of Women has received many calls from women saying they were turned down for a childcare subsidy when they wanted to go back to school.

"That's what we've been hearing when women call us up and say how frustrated they are that they can't get a childcare subsidy that will enable them to go back to school, or to complete their high school diploma," she said

"They're eligible to apply, and when they apply they're turned down. And there's no rationale given, they can't figure out why they've been turned down. It's a bit of a mystery what would be the grounds to deny them their subsidies."

Jay said until recently single mothers were encouraged to further their education, and receiving assistance with childcare costs wasn't a barrier.

Deroche said this year she decided to take out a loan, work as much as she can, and do without the subsidy.

She said going to school and working 12-hour shifts as an LPN limits the time she can spend with her son.

"It's hard because you wonder if this is what you should be doing," she said.

Deroche said she's only able to do what she's doing with help from her family.

"The people who don't have that family, I couldn't imagine. Because I wouldn't be able to do it. I wouldn't be able to go back to school."

- reprinted from CBC News

**Region:** Prince Edward Island <sup>[3]</sup>

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

affordability <sup>[5]</sup>

funding <sup>[6]</sup>

---

**Source URL (modified on 27 Jan 2022):** <https://childcarecanada.org/documents/child-care-news/15/05/pei-childcare-subsidies-spending-down-19>  
**Links**

[1] <https://childcarecanada.org/documents/child-care-news/15/05/pei-childcare-subsidies-spending-down-19> [2] <https://www.cbc.ca/news/canada/prince-edward-island/p-e-i-childcare-subsidies-spending-down-19-1.3035643> [3] <https://childcarecanada.org/taxonomy/term/7852> [4]

<https://childcarecanada.org/category/tags/subsidy> [5] <https://childcarecanada.org/category/tags/affordability> [6]

<https://childcarecanada.org/category/tags/funding>