Will a low-cost, Quebec-style child-care model work in Alberta? [1]

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EXCERPT

Parents paying thousands each month for child care may soon see relief if the NDP government has its way, but not everyone is convinced additional subsidization really benefits those who need it most.

All told, the election budget mapped out by the victorious NDP calls for an additional $450 million in child-care funding between now and the 2019-20 fiscal year. The hope is, as the province's finances permit, that parents will see their daily costs for a caregiver lowered to $25.

It appears, however, such a cost cut will be no easy task, as a Metro probe earlier this year found some daycares charging three times that amount.

Mother of two and professional nurse Kristie Andersen said she and her husband pay $2,375 a month for full-time daycare for their two kids, both under the age of three.

"It's more than my mortgage," she said. "It's absolutely, really ridiculous. My husband and I don't do bad for ourselves, but it's tight from month-to-month and the government gives us a $200-per-month daycare credit – that's it."

Bill Moore Kilgannon, executive director of Public Interest Alberta (PIA), said the province spends among the lowest per-capita on child care in Canada. His organization is convinced the NDP plan will actually be a boon for the economy as lowered child-care costs will entice many more parents back into the workforce.

"Guess what? They pay taxes," he said.

"It's important, right off the top, that people don't see this as a government expense," Kilgannon added. "It's an investment that actually can potentially pay more."

PIA was hosting a presentation Wednesday night in Calgary that featured economist Pierre Fortin, who studied Quebec's universal child-care program, which initially started out with parents paying just $5 a day.

Since then, the model has shifted to a sliding scale that sees parents who earn less than $50,000 per year pay the low-end $7.30 a day per child and those earning more than $150,000 pay $20.

The model in Quebec hasn't received universal acclaim, however.

Paige MacPherson, Alberta director of the Canadian Taxpayers Federation, questioned whether all parents benefiting from the reduced costs really need such support and said the lowered costs could see demand for child-care spaces balloon well above available supply.

In her mind, MacPherson said the Quebec model "hasn't worked" for those reasons and many others.

"You see that, overwhelmingly, the quality of daycare has been lowered," she said. "You've also got the costs running amok, and you see government struggling to rein them in."

She said low-income Alberta families already receive subsidies for childcare. As well, the federal government offers the universal childcare benefit at $100 a month and is moving towards an income-splitting model that will benefit parents by allowing them to assign up to $50,000 to the low earner in the household for tax purposes.

Nationally, 70 per cent of women with a child under the age of two remain in the workforce, but in Alberta that figure stands at about 60 per cent

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