

Election 2015 blog: Why giving parents cash-for-child-care isn't the answer ^[1]

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Child Care NOW federal election 2015 blog series

Child care has become a key issue in Election 2015. To support the public interest and political debate, the Childcare Resource and Research Unit's blog, Child Care Now, will be published each week between August 12 and October 19. Blogs will be topical, based on such questions as: What is a "national child care program"? Why does Canada need a national child care program? When we say "high quality affordable" child care, what does this mean? What else do families with young children need, and what's the difference between other family policies (like a child benefit) and child care? The blogs may be based on available documents, some may be written by guest bloggers and they may also be circulated by sources other than the CRRU website, such as rabble.ca.

Why giving parents cash-for-child-care isn't the answer is the fifth blog in the series.

All blogs in this series may be found on the [CRRU's website](#) ^[3]

Why giving parents cash-for-child-care isn't the answer

I opened my Tuesday Globe and Mail to the Opinions page before the coffee reached the breakfast table and was confronted by a letter to the editor asserting that child care policies I endorse have been "done on the backs of parents ... and on the backs of our kids". The letter writer, representing the Kids First Parents Association, took king-size exception to Globe columnist Leah McLaren's eloquent analysis of why Canadian politicians must act on a universal national child care program. Kids First, a charitable organization, argued that "these policies are harming families, especially single-mothers..." Oh, and the policies McLaren and I (and many others) advocate for "are hogging funding" and are elitist to boot!

This inexplicable line of reasoning may dumbfound parents who search for affordable, high quality child care and can't find or afford it for love or money. But it can serve as a basis for exploring a key, tediously recurring theme in Canada's child care debate over the last decade: should public money fund creation of an early childhood education and care system or should government instead send cash directly to parents to use as they choose? ("Fund families, not spaces", as the Globe letter pitches).

It also reflects the bigger story of what has happened to Canadian child care over the last decade. In 2004, the federal Liberals finally committed to bringing in a national child care program. Over the next year, they negotiated agreements with all the provinces and territories based on written "action plans" in exchange for new federal money. The plan was that province/territories would use the funds to expand their regulated child care services and make them more accessible—that is, the public funding was to be used for regulated services. Then, to quote Leah McLaren: "...Stephen Harper was elected and immediately cancelled the program. The end". But the postscript to this February 2006 unhappy ending was the "Choice in Childcare Benefit", later called the "Universal Child Care Benefit" or UCCB, the cash payment-to-parents. The first cheque was in the mail the following July.

The Harper "choice in child care" scheme wasn't the first Canadian fund-the-parent scheme. The old "baby bonus" (or family allowance) had sent a monthly cheque to every mother from 1944 to 1992. Then the National Child Benefit was introduced by the federal Liberals in 1998. The main part of the NCB still arrives as monthly cheques to the majority of families with children. It, unlike the "baby bonus" is geared to income. Neither of these child benefit schemes was ever understood to be about delivering choice or anything else to do with child care. Rather, the objectives were linked to reflecting the value of raising children or "helping prevent and reduce the depth of child poverty".

The Child Care Expense Deduction, introduced in 1971 and expanded a number of times, most recently in 2015, however, is about child care costs, specially child care costs allowed as deductible expenses associated with earning income under The Income Tax Act. In this case, receipts for child care (regulated, unregulated -- even summer camp) are required.

None of these programs has been put forward as an alternative to developing a child care service system. The UCCB was the first family policy program to be framed as competition to what the Harper government and its supporters such as Kids First have positioned as "institutional day care", pitching the unnecessarily divisive idea of "funding for parental child care vs daycare".

Of course, for many families, all this is silly stuff akin to debating how many angels can dance on the head of a pin. The reality is that today most women work outside the home while their children are small—have careers, work non-standard hours as well as non-traditional jobs, go to dental school, etc. As well, today the value of high quality early childhood education and care is well documented and recognized as is the importance of supporting the families who are of primary importance for children.

Generally, most families need multiple things and not only are all families not the same but their needs change over time. In addition to

having different preferences, what a family needs at one time may not be what they need when their children are a little older or they are in different circumstances.

What this means practically is that good family policy needs to include a "basket" or package of real options for families; the basket needs to include both service and income options, and it's important to recognize that these are not the same thing. That is, it is well documented in the international literature that it's well nigh impossible to translate cash benefits given out to parents into the accessible, high quality, equitable ECEC services most families need. In a Canadian context, it is noteworthy that the almost \$20 billion Canada has sent out in \$100/month UCCB cheques over almost a decade has not translated into the early childhood education and care that many families are looking for their children. Far from it--indeed, expansion in regulated child care slowed down considerably during that period.

Countries with well-developed family policy generally fund early childhood education and child care services directly, arranging the programs and how families access them in a variety of ways. The service system usually includes early childhood education (usually non-compulsory) for all children sometime after age two, integrating some (or all) of the care and education elements. Usually most (not all) parents want their children to attend these programs regardless of the parent's work situation.

Most countries also provide about a year of decently paid, often somewhat flexible, maternity and parental leave to all families; the international benchmark for parental leave also includes a paid period of father-only leave (paternity) leave, which in Canada is now offered only in Quebec. As well, some families need other income support--some more than others, depending, in part, on how many parents are available (or choose to) to work outside the home). This often takes the form of a child benefit. In addition, families also need affordable housing, good jobs and access to health care, recreation and so on.

The assertion that Canada's regulated child care is "hogging" public money, thereby hurting families is utter nonsense. Broken down on a per capita basis, a rough calculation shows that in most provinces, public spending for each regulated space is less than \$3000 a year, while the mean spending per child in Canada outside Quebec is only \$436 a year. Including public kindergarten in the ECEC mix is appropriate but it is only five year olds who can be assured of a full-or part-school day space in most of Canada whereas the norm for kindergarten-like programs across Europe is two or three years before compulsory school.

At the same time, Canada's current main cash-for-child care scheme, the UCCB, together with the less costly Child Care Expense Deduction, will cost almost \$8 billion a year in 2017. So child care is hogging public dollars? I think not.

Our proposals for a universal publicly funded high quality national child care program are harming single parents? That doesn't hold up at all. What is harming many is that they can neither find nor afford the quality child care they need and don't have enough money to pay the rent and feed the kids.

Pitting an early childhood education and care system such as families in many other countries enjoy against a child benefit (even a much better-designed child benefit than the UCCB) -- is doing all families -- no matter who they are -- a real disservice. Canada, as Leah McLaren pointed out, needs to do much better for all families, all children. And it's the politicians who have the power to change this.

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