

briefing notes



By Morna Ballantyne, Executive Director, Child Care Now. August, 2022.

Advocating to ensure governments make affordable child care available for all is a collective responsibility

One year ago, the Government of Canada entered into a new five-year child care funding agreement with the BC government, providing the first installment of federal money to make licensed early learning and child care programs more affordable, accessible and inclusive. The Government of Canada quickly reached similar agreements with other provincial and territorial governments, except Quebec, whose “asymmetrical” agreement is funding the province’s plan to add 30,000 spaces to its low-fee child care system.

While there is yet to be a full public accounting of how the federal child care funds have been used to date, we know every government has focused mainly on spending measures intended to make fees for licensed child care more affordable for parents. Given the rapid rise in the cost of living and the fact that child care fees take up so much household income for parents, that’s a welcome and important objective. Most parents who are able to secure a licensed child care space will see fee relief – often substantial – over the next few years.

But overall, the results of these federally funded measures are so far mixed. How successful they are in moving towards “affordability” and which households benefit depends largely on what approach the provincial and territorial government has taken, and on how affordability is defined.

The Canadian Centre for Policy Alternative’s most recent annual child care parent fee report, [Game Changer](#), reiterated the important point that the federal government’s 2021 budget articulated the principle of affordability as a reduction in average parent fees. The budget, which set out a plan to use the federal spending power to establish a Canada-wide

system of early learning and child care, noted that “the high cost of child care—in some urban centres fees for one child can be as much as rent or mortgage payments—is a tax on a segment of the population that Canada requires to drive economic growth”. It went on to promise that the “government will ensure that families in Canada are no longer burdened by high child care costs [by] bringing fees for regulated child care down to \$10 per day on average within the next five years. By the end of 2022, the government is aiming to achieve a 50 per cent reduction in average fees for regulated early learning and child care to make it more affordable for families.”

Not surprisingly, the provincial and territorial governments are interpreting the federal government’s fee reduction targets in various ways, taking several different approaches to calculating what constitutes an “average” fee reduction. Most are moving to bring down average “out-of-pocket” costs of parents rather than actually reducing the fee charged to parents by the operator. A number of jurisdictions are doing this by modifying individual parent fee subsidy systems rather than reducing the “sticker price” of child care. This approach, combined with the varying calculations of “average” fees, means that many parents who are counting on the fee charged by their own service provider to drop by half by the end of 2022 may end up sorely disappointed.

Bringing down licensed child care fees will not make it affordable for all unless the varying factors affecting parents’ ability to pay are taken into account. An average out-of-pocket fee of \$10 a day for each child is still prohibitively expensive for low-income households, especially those with more than one child. In reality, the most economically disadvantaged families may continue to lose out under the modestly modified funding schemes with which most provinces and territories are experimenting.

Additionally, only a small fraction of households will benefit from fee reduction if federal, provincial, and territorial governments don’t figure out how to increase the number of not-for-profit and public licensed programs and take measures to ensure equitable distribution of their supply. Canada’s child care advocates have been working for decades to convince governments to build a publicly funded and managed Canada-wide system of low fee or free child care because it is the only way to address the many inequities of access created by the current market-based approach to supply which depends on private individuals or organizations to decide where and when they open up, or close down.

The main barrier standing in the way of expanding availability of affordable licensed child care is the widespread shortage of qualified early childhood educators, combined with failure by all levels of government to cease to rely on the child care market to deliver supply.

In an [open letter to the federal, provincial and territorial ministers](#) with primary responsibility for early learning and child care, Child Care Now, Canada’s national child care

advocacy association, called on them to put in place a comprehensive workforce strategy that includes raising the wages of early childhood educators and others who work in the sector, and putting in place decent pensions and employment benefits. “This will help transform how early childhood education work is organized, raise the quality of early learning and care, and...make early learning and care a desirable and sought-after profession,” the letter said.

Hand-in hand with addressing the workforce crisis, governments must also take direct responsibility for ensuring that there are sufficient licensed programs to meet the needs of children and families in all their diversities while also respecting First Nations, Métis and Inuit rights and jurisdiction. Child Care Now’s open letter appealed to the Ministers to stop relying on “requests for proposals” to fill the gaps between demand for, and supply of, licensed child care, making the point that a publicly funded responsive and accountable child care system requires strong and concerted government leadership in the creation and provision of services.

Building a Canada-wide system of high quality, affordable, and inclusive early learning and child care for all will take a long time. It has taken countries like Sweden, Norway, and France three decades to bring their programs to maturity. The best way to secure the project— which promises to be the first large scale publicly funded social and economic program since the introduction of Medicare – is to oblige provincial and territorial governments to develop comprehensive service expansion strategies, including a workforce strategy, to strengthen the availability of early learning and child care without compromising quality.

The federal government can and must exert more pressure; its child care plan remains the centrepiece of its economic recovery program and it is spending billions to get results. But the stakes are also high for children, parents, gender and racial equity, and the economy more broadly. As the saying goes, “everyone depends on someone who depends on child care.” Making sure that governments build the new child care system the right way is a collective responsibility that goes far beyond the child care movement.

An abridged version of this article will appear in the 2022 fall issue of [The Monitor](#), published by the Canadian Centre for Policy Alternatives.



Childcare Resource and Research Unit

32 Heath Street, Toronto ON M4V 1T3

TEL 416-926-9264

EMAIL [Contact form](#)

WEBSITE childcarecanada.org