



## The state of the national child care program and provincial/territorial contexts, March 2006

In the 2004 election campaign, the federal Liberals promised to develop a national early learning and child care system based on four principles - quality, universality, accessibility and developmental [programming] (QUAD). The campaign platform promised \$5 billion over five years (new dollars) to build a national early learning and child care system.

Most of this money was to be transferred to provinces/territories using the Canada Social Transfer (CST) formula but \$100 million was to be used for “accountability and data” and \$100 million was to be used for “early learning and child care for First Nations communities”.

After the Liberals won the 2004 election with a minority government, negotiations between the federal government and the provinces/territories began on the early learning and child care program with the federal government requiring that the funds be spent on regulated early learning and child care programs. A multilateral agreement was not achieved.

Nine provinces signed bilateral agreements-in-principle<sup>1</sup> with the Government of Canada on early learning and child care in 2005. Neither the territories nor Quebec signed agreements-in-principle.

The agreements-in-principle contain some information about how the province intends to build a national early learning and child care system – in which each province/territory operates its own program - that meets the QUAD principles. There was considerable variation in the provinces’ directions described in the agreements-in-principle although the QUAD principles were “shared principles” agreed to by all jurisdictions. Federal funds could be spent on a variety of ELCC programs – centres, nursery schools, regulated family day care – full time, part time, for children with parents in and out of the workforce and in all regions – urban, rural and suburban. Funds could also be spent on improving quality and affordability as per the QUAD principles. All provinces agreed to collaborative work in such areas as a national quality framework and data systems.

In signing the agreements-in-principle, provinces committed to developing detailed Action Plans that are based on the four QUAD principles.

In signing the agreements-in-principle, the federal government committed to five year funding agreements with provinces upon production of an Action Plan.

Two provinces, Manitoba and Ontario, released their Action Plans, and concluded

<sup>1</sup> The agreements-in-principle are [available online](#).

five year funding agreements with the Government of Canada in November 2005.

Although Quebec did not enter into an agreement-in-principle, the federal government signed a five year agreement with them in October 2005 to support investment in their existing system. Following the January 2006 election with a minority, a new Conservative government announced that the processes set in motion by these agreements will end.

All jurisdictions – the three provinces with five year funding agreements (Quebec, Ontario and Manitoba), the seven provinces that had not yet released Action Plans, and the three territories will get federal funding

for one year, terminating March 31 2007. (The five year agreements contain a pro forma “escape” clause that specifies that either partner to the agreement may cancel it with one year’s notice.)

The 2006 election platform of the Conservative government promised a Choice in Child Care Allowance instead. This consists of a payment of \$1,200 to all parents with children under age 6, taxed in the hands of the lower-income spouse. In addition, the Conservatives will initiate a Community Childcare Investment Program to “help employers and communities create child care spaces in the workplace or through cooperative or community associations” by establishing a tax credit of \$10,000 per space.

## **Provincial officials on the national child care program**

### **Newfoundland and Labrador**

"This [federal] government is firm on what it plans to do in terms of child care.... It seems to me we have to embrace this and move forward in the betterment of the interests of the children of our province."

- John Ottenheimer, Minister of Health, quoted in “Accept new day-care deal: Ottenheimer”. CBC News Newfoundland, 22 Feb 06

### **Prince Edward Island**

“P.E.I. Premier Pat Binns said even though his province has on of the highest percentages of kinds in child care, 45 per cent of eligible children are not getting day care. “Those parents are looking forward to this program as introduced by Mr. Harper’ said Binns.”

- from “Tories cancel child-care accord”. London Free Press, 25 Feb 06

### **Nova Scotia**

“I recognize that there are only so many dollars available at a national level.... What we do want to see reflected is the need for more child-care seats in Nova Scotia... there are operational costs around salaries and such that need to be addressed.”

- Premier Rodney McDonald, quoted in “N.S. premier hopeful Ottawa will consider 'blended' approach to child care”. Canadian Press, 27 Feb 06

### **New Brunswick**

“New Brunswick Premier Bernard Lord also said he likes the Conservative program of direct \$1,200 payments to parents for every child under six. ‘We don’t have the same preoccupation that others have,’ Lord said.”

- from “Tories cancel child-care accord”. London Free Press, 25 Feb 06

## Quebec

"I expect Mr. Harper to respect the agreement that we have signed with the federal government. If Mr. Harper chooses to do more, that will be his decision."

- Premier Jean Charest, quoted in "Provinces fear Tory child care plan". Globe and Mail, 2 Feb 06

## Ontario

"We entered into an agreement with the Government of Canada, not with the Paul Martin Liberals. There are thousands and thousands of families who are relying on that new agreement."

- Premier Dalton McGuinty, quoted in "McGuinty hopes Harper will be 'flexible' on day care deals". Ottawa Citizen, 8 Feb 06  
"...we have a five year agreement. We worked hard to acquire that five year agreement, and we just believe it should be honoured. And the five-year agreement respects and reflects the concerns raised by parents..."

- Mary Anne Chambers, Minister of Children and Youth Services, quoted on Mike Duffy Live. CTV News, 8 Feb 06

## Manitoba

"Our reality is we've already spent money and invested money on spaces, and we've invested in training and salaries of staff. We can't go backwards.... Obviously we have an agreement with Canada, not with Stephen Harper."

- Premier Gary Doer, quoted in "Day-care cash on menu when premiers meet PM". CBC News Online, 24 Feb 06

## Saskatchewan

"I would encourage Mr. Harper ... to maintain some of the good work that has been accomplished between the provinces and the national government, regardless of whether

that happened to be a Liberal government or not."

- Premier Lorne Calvert, quoted in "Calvert wants Conservatives to honour deals". CBC News Online, 25 Jan 06

"It's a huge disappointment to us.... This was a pretty substantial expansion here in Saskatchewan in early learning and in the child-care field."

- Deb Higgins, Saskatchewan Learning Minister, quoted in "Conservative child care change 'huge disappointment': Higgins". CBC News Online, 22 Feb 06

## Alberta

"Alberta Premier Ralph Klein said he agrees with Harper's child care policy. He said the only difference is that parents, not the province, will get the money, the Edmonton Journal reported."

- from "Liberals vow child care battle in Parliament". CTV.ca, 28 Feb 06

## British Columbia

"We had a family allowance program in this country for years and years to put dollars directly into the hands of families, I support that, I also support the opportunity for us to build child care space in British Columbia and Alberta and Saskatchewan."

- Linda Reid, Minister of State for Childcare, quoted in "BC child care waiting for money from feds". CKNW News Talk Radio, 02 Feb 06

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## Provincial/territorial contexts, March 2006

Prov/ terr	Is there an agreement- in- principle?	Is there a five year funding agreement?	Workforce participation rate of mothers by age of youngest child - 2003 (%)		Allocation for each regulated space (\$)	Allocation for each child in the province (\$)	Percent of children 0-12 for whom there is a regulated child care space (%)	Provincial budget for regulated child care - 2003/04 (\$, millions)	Funding expected from the bilateral agreements, per year (\$, millions)				
			Less than 3 yrs.	3-5 yrs.					05/06	06/07	07/08	08/09	09/10
NL	Yes	No	70.8	67.4	1,958	133	6.8	9.6	11.3	10.3	18.0	17.8	17.6
PE	Yes	No	78.4	81.5	1,142	216	18.9 <sup>2</sup>	4.7 <sup>3</sup>	3.0	2.8	4.9	4.9	4.9
NS	Yes	No	71.4	76.9	1,549	149	9.6	19.8	20.4	18.8	33.0	32.7	32.4
NB	Yes	No	70.1	75.2	1,168	129	11.0	13.9	16.4	15.0	26.4	26.2	25.9
QC	No	Yes	72.6	76.7	4,849	1,448	29.9	1,560.0 <sup>4</sup>	n/a	152.8	269.7	269.1	268.4
ON	Yes	Yes	67.8	74.1	2,406	258	10.7	497.4	271.9	253.2	448.9	449.8	450.8
MB	Yes	Yes	67.5	76.9	2,848	407	14.3	73.0	26.0	24.0	42.0	42.0	42.0
SK	Yes	No	66.9	77.4	2,483	123	4.9	19.6	22.0	20.0	35.0	35.0	34.0
AB	Yes	No	59.1	71.4	1,118	104	12.7	53.6	70.4	65.7	116.8	117.3	117.9
BC	Yes	No	67.4	73.5	1,754	241	13.7	140.7	92.0	85.6	151.7	151.9	152.1
NT	No <sup>5</sup>	No	n/a <sup>6</sup>	n/a <sup>5</sup>	2,085	273	13.1	2.5 <sup>7</sup>	n/a	n/a	n/a	n/a	n/a
NU	No <sup>4</sup>	No	n/a <sup>5</sup>	n/a <sup>5</sup>	1,761	205	11.6	1.8 <sup>6</sup>	n/a	n/a	n/a	n/a	n/a
YT	No <sup>4</sup>	No	n/a <sup>5</sup>	n/a <sup>5</sup>	3,796	1,109	29.2	5.2	n/a	n/a	n/a	n/a	n/a

**Data sources:** Provincial spending, space figures and workforce participation rate are from: Friendly, M. & Beach, J. (2005). *Early Childhood Education and Care in Canada* 2004. Toronto ON: Childcare Resource and Research Unit, University of Toronto. Federal spending figures are from the bilateral agreements-in-principle and funding agreements between Ottawa and each province.

<sup>2</sup> PEI's kindergartens are located in child care centres. For the purpose of comparison with other jurisdictions where kindergarten is in the public education system, the figure 1,266 part-day spaces (excluding part-day kindergarten spaces) has been used in calculations.

<sup>3</sup> This calculation does not include either PEI's spending on kindergarten or part-day kindergarten spaces which are part of the child care system in that province.

<sup>4</sup> Estimate

<sup>5</sup> The Northwest Territories, Nunavut, and Yukon did not sign bilateral agreements with the federal government but will be receiving funds for one year – until March 31, 2007 – as are all the provinces.

<sup>6</sup> Comparable 2004 information for Northwest Territories, Nunavut and Yukon not available.

<sup>7</sup> Fee subsidy budget includes spending on both regulated and unregulated child care. Breakdown between one-time start-up and ongoing operating grants is not available.