



---

This provides a link to “Affordable for All: Making Licensed Child Care Affordable in Ontario”. It is a report to the Ontario Ministry of Education about the best ways of improving affordability of child care in Ontario. Both the full report and the executive summary in English and French can be accessed at [www.childcarepolicy.net](http://www.childcarepolicy.net). I am the named author, but this is joint work with Professor Michael Krashinsky and Sue Colley.

A few weeks ago, the Government of Ontario [announced its plan](#) to make child care free-of-charge for preschool children (2.5 years – 4 years) in Ontario. This was the main recommendation of the report.

We designed a very comprehensive study plan:

- gathering and analyzing the most recent data on Ontario child care,
- interviewing the municipalities who deliver funding and plan strategies for development of child care,
- summarizing and analyzing experiences in other jurisdictions, including Quebec.
- We measured the burden that lack of child care affordability creates for families.
- We built a statistical microsimulation model to predict the effects of different possible policy reforms on the demand for licensed child care and parental employment and incomes.
- We analyzed the impact of different policies on the net returns to employment for main caregiving parents (usually mothers) with young children.
- We summarized literature on the impact of child care on children’s development and on parental employment.
- We analyzed workforce issues related to recruiting large numbers of new educators for child care centres.
- And, we analyzed the very important problems of transition towards a state of dramatically improved affordability – issues of capacity, shortages, and maintaining good quality.

Not surprisingly, we find that licensed child care is not affordable in Ontario for about 80% of families with young children. Child care unaffordability is a major barrier to employment and to gender equity – parents cannot afford to pay for child care.

What is, perhaps, surprising is that we recommend concentrating first on affordability for children of preschool age, rather than infants or toddlers. Infant and toddler care is more expensive; why start with preschoolers? Quebec’s experience was crucial in this recommendation; we thought it very important to minimize the substantial shortages of supply that tend to lead to quality problems. There is much more current supply for preschoolers in



---

Ontario than for other ages; therefore more families benefit when preschool child care is made free, and it is much more likely that severe shortages can be avoided. It's the best place to start building a system of truly affordable child care for all children.

We make a host of recommendations to be implemented over time:

- Make child care free for all children of preschool age in Ontario (2.5 years to kindergarten eligibility) as the first BIG step;
- In collaboration with municipalities, build the physical capacity to provide dramatically expanded preschool services;
- Raise wages, develop a wage grid, improve benefits to recruit the large number of additional educators that will be needed;
- Create transformed child care institutions that will have the right to deliver these public services and receive the 100% funding from government – just as PEI and Quebec did. In other words, ensure quality and accountability are paramount in these 100% funded services;
- As we expand physical capacity for preschoolers, include spaces for infants and toddlers. Increase funding to the subsidy system and reduce restrictions on subsidy eligibility to fund low- and middle-income families to take these infant and toddler spots as they become available;
- When there is sufficient capacity – both physical and staff – switch to a sliding scale of payments for infants, toddlers, kindergarten and school age (keep preschool services free). We recommended a \$50K-\$150K sliding scale, going from 0% to 80% of the full fee.

I hope you enjoy the report. I'm very proud of this as a model of comprehensive study of child care policy. I've learned a couple of important lessons. First, details matter – your recommendations have to fit the situation of your jurisdiction. Second, analyzing the process of how to get to your planned destination may be as important as analyzing what your planned destination is. Because, if you don't analyze how to get there, you may not end up where you planned to go.

Cheers,  
Gordon

Dr. Gordon Cleveland,  
Associate Professor Emeritus, Economics,  
Department of Management,  
University of Toronto Scarborough