

Mulcair's PLAN

Affordable childcare

Media backgrounder

OCTOBER 14, 2014



The challenge

After nine years under Stephen Harper, the cost of quality childcare is breaking the household budget.

- // On average, for one infant spot, Canadian families pay monthly fees of \$1152 in Ontario, \$825 in Nova Scotia, and \$1047 in BC. By comparison, a childcare spot in Quebec can cost only \$152 a month.¹
- // Some parents are paying monthly childcare fees reaching as high as \$2000 per child.²
- // Today's average childcare costs are 18.4% of the average Canadian family income.³
- // Among children aged 0-5, only 22.5% have access to regulated childcare, even though 73.5% of their mothers participate in the workforce.⁴
- // In First Nations communities, 78% of children 0-5 do not have access to licensed child care services.⁵

Families, businesses and the economy at large are paying the price for Conservative and Liberal inaction.

- // Work-life conflict experienced by employees with preschool children costs the Canadian business community \$4 billion per year.⁶
- // Following the creation of Quebec's childcare program, women's participation in the workforce there increased by 70,000.⁷
- // A TD Bank research survey suggests that for every dollar invested in early childhood education, the benefits to provincial and federal governments range from \$1.49 to \$2.78 through increased tax revenues and decreased social spending.⁸
- // OECD data shows that Canada ranks dead last among 14 comparable countries on public investment in early childhood education as a percentage of GDP.⁹

Our commitment

Tom Mulcair and the New Democrats will create a Canadian early childhood education and childcare program with a goal that parents won't pay more than \$15 per day per child.

Here's how:

- // Work with the provinces, territories and Indigenous communities to fund and develop national early childhood education and childcare programs delivered with common principles like affordability, availability and quality.
- // Enshrine the program in legislation.
- // Ensure long-term, predictable funding so provinces and communities can plan ahead: this will be phased in over an eight-year time period.
- // Set measurable benchmarks with publically available reporting.
- // Support or maintain the creation of one million new childcare spaces within eight years, when the program is fully phased in.
- // Recognize that provinces and territories have jurisdiction over the delivery of early childhood education and child care.

New Democrats recognize that Quebec has been a leader in providing affordable childcare. The province's \$7-per-day services would be supported by this new federal investment. We believe the federal government can play a positive role in Quebec's efforts to maintain affordable, available, quality childcare.

Mulcair's plan progressively boosts federal investment in childcare. After eight years, this annual federal investment will have increased by \$5 billion. The first step, to be achieved within four years, is to fund 370,000 new affordable childcare spaces with an annual investment of \$1.9 billion.

According to economist and childcare expert Pierre Fortin, this program could generate more than \$3 billion for the federal government through additional revenues and reduced costs. That's on top of the clear and substantial benefits for Canadian families.

Costing

	2015-16	2016-17	2017-18	2018-19
New federal funding	\$290M	\$595M	\$1,220M	\$1,865M
Childcare spaces funded	60,000	123,000	246,000	370,000

References

- ¹ Childcare Resource and Research Unit, *Early Childhood Education and Care in Canada*, 2012. <<http://goo.gl/DCgucu>>
- ² Tamara Baluja, "Today's modern parent: Daycare poor, with little to save," *Globe and Mail*, July 2, 2012. <<http://goo.gl/T57XtP>>
- ³ OECD, *Doing Better for Families*, 2011. <<http://goo.gl/ojHvvZ>>
- ⁴ Ibid, Childcare Resource and Research Unit.
- ⁵ Assembly of First Nations, *Early Childhood Education in First Nations Communities*, 2012. <<http://goo.gl/eFRgE9>>
- ⁶ Surrey Board of Trade & Children's Partnership of Surrey, *Business and Families Position Paper*, March 2012. <<http://goo.gl/hjzZ4>>
- ⁷ Pierre Fortin, *Educational Childcare: the Quebec System has brought more jobs, more income and more fiscal revenues*, Seminar, Institute for Public Policy Research, May 21, 2014.
- ⁸ TD Economics, *Early Childhood Education Has Widespread and Long Lasting Benefits*, Nov 27, 2012. <<http://goo.gl/xgwPu>>
- ⁹ Ibid, TD Economics.