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
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 publicly 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

<table>
<thead>
<tr>
<th></th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18</th>
<th>2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>New federal funding</td>
<td>$290M</td>
<td>$595M</td>
<td>$1,220M</td>
<td>$1,865M</td>
</tr>
<tr>
<td>Childcare spaces funded</td>
<td>60,000</td>
<td>123,000</td>
<td>246,000</td>
<td>370,000</td>
</tr>
</tbody>
</table>

## References


4. Ibid, Childcare Resource and Research Unit.


