



Ontario Coalition for Better Child Care pre-budget submission 2015

January 29, 2015

The Ontario Coalition for Better Child Care is Ontario's advocacy group for a universal, affordable, high quality, public and non-profit system of early childhood education and care. Formed in 1981, the OCBC is a member organization comprised of child care programs, local and provincial organizations and individuals from all across Ontario. Our members are child care workers and parents, centre directors and trade unionists, and most importantly we are people who care about child care.

Why invest in child care

Two areas of the government's four point economic plan and the Finance Minister's appointed themes for the pre-budget consultation stand out as reasons to invest in child care:

Investing in people's talents and skills and Building modern infrastructure

There is no better way to invest in Ontario and in Ontarians, than investing in child care. Child care is also a key part of Ontario's social infrastructure, supporting the parent workforce.

Studies show that child care creates ripple effects in local economies. Research in Manitoba found that every \$1 spent on childcare generated \$1.58 worth of local economic activity.ⁱ

Meanwhile research on Quebec's affordable child care program by economist Pierre Fortin concluded that the Quebec program contributes more in increased government revenues than the program costs, providing an estimated annual net gain of over \$200 million to the provincial government.ⁱⁱ

This economic case joins the long-standing arguments for funding child care, including the benefits to children's wellbeing and to women's equality. Child care is fundamental to closing the gender wage gap, a priority for this government.

Funding child care makes economic sense. They are some of the best dollars that government can spend. However, in Ontario today, we are living with the results of chronic under-investment in child care.

ACTION ITEMS:

- **Recognizing the severe underfunding of Ontario child care, we call on the Ontario government to commit to new child care money — an immediate \$300 million fund (annualized) to address these immediate crises.**
- **In addition, to begin to address the shortfall of child care spaces, we recommend \$100 million to increase spaces across the province.**
- **Funding should be tied to inflation.**
- **We support the Association of Early Childhood Educators Ontario's call for a provincially established workforce strategy to ensure staff with equivalent education and work responsibilities are paid professional pay for professional work.**

Chronic under-investment in child care

The Ontario government has pledged to “modernize child care”, aiming to “to transform child care in Ontario, to better reflect the realities of our modern world”. The Ontario Coalition for Better Child Care appreciates this goal, but questions whether child care has been provided with adequate funds – and indeed adequate policy support - to make this transformation a reality.

There are regulated child care spaces for only 20% of Ontario children 0-5 years. If you include school-age children – a particularly underserved group - that number drops further to spaces for only 15% of Ontario children.ⁱⁱⁱ

Three years into this modernization process, we have seen new legislation developed that closes loopholes in licensing and beefs up inspection. And yet without adequate funding it remains an unanswered question how enforcement of the new measures in this legislation will be achieved.

Stabilization funding – provided over four years - has proven too limited to adequately address the impacts of full-day kindergarten on the child care sector.

This chronic under-funding is having a devastating impact on child care programs across the province. A few examples:

- We have continued to see closures of high quality child care centres including:
 - Most recently Tupper Tots and St. Elias child care centres in Ottawa;
 - Coronation Park in Lambton, which served the community for 42 years and Lambton College child care centre which served the community for over 40 years;
 - Continued threat of closure to Scotia Plaza, a George Brown lab school here in Toronto.
- In fact, we have seen an epidemic of closures at college child care programs, with more than a dozen Ontario colleges closing child care programs across the province in recent years. This fails both families and early childhood education students, who rely on lab schools for high quality placement experiences.
- Public child care spaces – which research shows to be some of our highest quality settings – are disappearing. Municipally operated child care has shrunk from 18,143 spaces or 11% of total centre spaces in 1998 to 7,192 spaces or 2.6% of total centre spaces in 2012.

In short, child care in this province is nowhere near stable as we continue to struggle with this chronic underfunding. The Ontario government needs to provide adequate funding so that child care programs can survive and child care can thrive.

Ontario’s underfunding has another consequence – sky high parent fees.

Parent fees in Ontario are some of the highest in the country. According to a recent study of child care fees, Brampton, Toronto, Windsor and London make up four of the five *least* affordable cities for child care in Canada. In these cities and across Ontario child care fees are a second mortgage for families.^{iv}

Meanwhile, many local municipalities continue to struggle with the new funding formula. While we appreciate attempts by the Ministry of Education to rationalize the funding going to each municipality the reality is that no municipality can afford to face cuts to their child care funding. And yet, Algoma, Dufferin, Lennox and Addington, Northumberland, Parry Sound, and Timiskaming all face reductions in their allocations this year, with 12 more slated for cuts once the stabilization funding runs out.

The early childhood workforce continues to struggle. While the government’s recent wage enhancement is certainly welcomed, we must go further to create a meaningful workforce strategy in concert with the sector.

Turning things around

Ontario can do better. In fact we have the opportunity to be leaders in early childhood education and care.

We know that this government has committed to modernizing child care. But now is the time to show the political will and funding dollars to make that commitment a reality.

We know that child care is high on the national agenda too. On November 18th, 2014, the Ontario government and NDP caucus supported an opposition day motion by NDP leader Andrea Horwath that “this province should partner with the federal government to ensure that every parent in Ontario has access to child care at a cost of no more than \$15 a day per child.” We strongly support this commitment to work towards a national child care strategy, but we push Ontario to go further, to show leadership.

As Martha Friendly and Carolyn Ferns wrote in the *Toronto Star*, “With child care finally back on the national agenda, there’s no time like the present for the Ontario government to regain its leadership to move toward a real system of quality child care.”^v

Ontario would gain countless benefits from a comprehensive system based on the principles of universal entitlement, high quality and comprehensiveness. But achieving this will require not only a commitment to modernization but also a well-designed policy framework with long-term goals, targets and timetables, political will and ongoing sustained funding. And now is the time to start that work.

i Prentice, S. (2008). Rural childcare in Manitoba: New economic evidence. Available at:

<http://www.childcarecanada.org/documents/research-policy-practice/08/05/rural-childcare-manitoba-new-economic-evidence>

ii Fortin, P., Godbout, L. & St-Cerny, S. (2012). Impact of Quebec's universal low-fee childcare program on female labour force participation, domestic income, and government budgets. University of Sherbrooke. Available:

<http://www.childcarecanada.org/documents/research-policy-practice/14/10/selected-works-childcare2020-speaker-pierre-fortin>

iii Ferns, C. & Friendly, M. (2014). State of early childhood education and care in Canada. Toronto: Childcare Resource and Research Unit. Available at: <http://childcarecanada.org/sites/default/files/StateofECEC2012.pdf>

iv Macdonald, D. & Friendly, M. (2014). The parent trap: Child care fees in Canada's big cities. Ottawa: Canadian Centre for Policy Alternatives. Available at:

https://www.policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2014/11/Parent_Trap.pdf

v Friendly, M. & Ferns, C. (2014, Nov 13). Stick, carrots and a real child care system. *Toronto Star*. Available at:

http://www.thestar.com/opinion/commentary/2014/11/13/sticks_carrots_and_a_real_childcare_system.html