

# BEHIND THE ISSUES: Ontario 2003

## Investing in Quality Child Care

### An Agenda for Action on Child Poverty

Despite continued economic growth, poverty retains a stubborn hold on too many families in Ontario. At a time of prosperity 390,000 children remain in poverty - an increase of 41% since 1989. The next provincial government must ensure that all families can share in our province's collective prosperity.

Economic growth alone is not sufficient to lift families out of poverty. Tackling poverty requires a comprehensive strategy to improve labour market conditions, enhance income support programs and invest in public services.

All Parties must commit to a strategy that substantially reduces child and family poverty through action in 4 key areas: good jobs, adequate social assistance, quality child care and affordable housing are the four pillars required for income security and the well-being of families.

### Access to Quality Child Care: Families can't work without it

Quality child care services are an essential cornerstone of a strategy to reduce poverty. Early Childhood Education and Care services enhance children's well-being

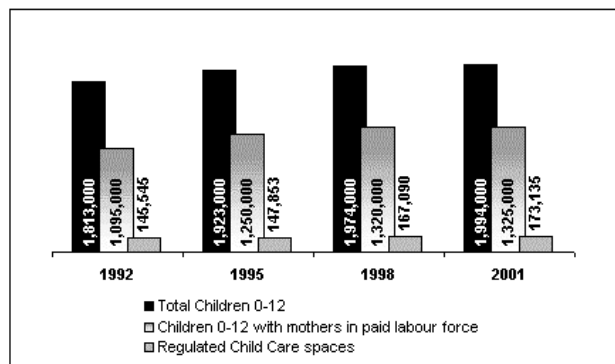
and development and strengthen the foundation for lifelong learning; support parents in education, training, and employment; and promote equal opportunities for women in the labour market.

For Ontario's 2,000,000 children twelve years and younger, there are only 173,130 regulated centre and family-based child care, nursery school, and after-school spaces. The available stock of regulated child care fails to meet the need of more than 90% of children in Ontario. Among the 70% of families where mothers work, available spaces would only meet the needs of 12% of their children.

Rather than addressing the critical shortage of quality child care services, the Tory government has reduced its investment by more than \$160 million since 1995. These cuts mean that parents must shoulder an increasing portion of the costs of care. Ontario has the highest monthly fees for full-time, centre-based care in Canada. Parents using centre-based child care typically pay annual fees of \$10,000 for an infant, \$6,600 for a preschooler, and \$4,000 for a school-age child. Fees for regulated family child care are only slightly lower.

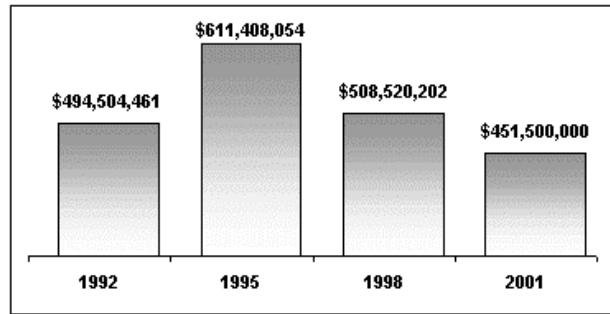
To further compound the financial crisis in the child care sector, municipal downloading in 1997/1998 passed many of the costs of wage grants, resource

NUMBER OF CHILDREN AND REGULATED CHILD CARE IN ONTARIO (0-12 YEARS), 1992 - 2001



Childcare Resource and Research Unit, *Early Childhood Education and Care in Canada 2001*. December 2002.

**PROVINCIAL ALLOCATION FOR REGULATED CHILD CARE IN  
ONTARIO, 1992 - 2001 (CONSTANT 2001 DOLLARS)**



Childcare Resource and Research Unit, *Early Childhood Education and Care in Canada 2001*. December 2002.

centres, and special needs programs to overburdened municipalities.

It has not been for a lack of resources or opportunities that the current provincial government has neglected child care in Ontario. The Federal-Provincial Agreement on Early Childhood Development (September 2000) promised action on common priorities for children, including child care. Since 2001, however, the provincial government continues to deliberately divert early years' federal transfers from quality child care programs. Out of a total of more than \$266 million in federal funds provided under the Early Childhood Development Initiative over the past two years, Ontario has not invested a single dollar in quality child care.

Families in Ontario desperately need provincial cooperation. The next Ontario government must immediately restore regulated child care funding to 1995 levels. In addition, it must make new provincial dollars available to bolster federal efforts and work constructively towards building a quality child care system that meets the needs of children and families. Over the next three years, the federal Early Childhood Development Agreement will transfer approximately \$190 million per year to the province.

In addition, the 2003 Federal Budget dedicated new dollars to those provinces with an interest in in-

vesting in regulated child care. Ontario's share of these funds will be \$10 million in the first year and \$30 million in the second year. Although the new federal transfer is less than what is needed, reaching federal-provincial agreement on the expansion of regulated child care is a promising step for families and should be a catalyst for action in Ontario.

### **The Ontario Alternative Budget Proposal**

We know there is a better way. We would:

- Fund all existing regulated, non-profit spaces.
- Add 20,000 new child care spaces over three years.
- Ensure the maximum \$5 per day fee for all parents, with an additional subsidy for low-income families.
- Ensure adequate pay for all early childhood educators

By the third year of our proposal, new spending on early childhood education and care would be \$1.1 billion. \$378 million would be provided in the first year.

**For more information on the Ontario Alternative Budget, visit the CCPA's web site at: <http://www.policyalternatives.ca>.**



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