

FACT SHEET

Early Childhood Education and Care

The Harris/Eves Conservative Government Record

- Ontario's spending on regulated child care has declined by more than \$160 million since 1995 (in constant 2001 dollars).
- Ontario has the highest monthly fees for full-time, centre based care in Canada.
- There are regulated child care spaces for less than 10 percent of children 12 years and younger, available spaces meet the needs of only 12 percent of children 12 years and younger whose mothers are in the paid labour force.
- Many of the costs of child care have been downloaded onto municipalities.

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.



What does the Ontario Alternative Budget do?

The Ontario Alternative Budget Working Group is made up of economists and researchers from labour, social, and faith groups. We have first hand experience with the impact of eight years of Harris/Eves policies. We know there is a better way.

Our budget does three things:

- One: It discredits the Harris/Eves government's claim that its tax cuts and fiscal policies have produced substantial gains for middle-income earners;
- Two: It documents the devastating impact of the Harris/Eves government policies on Ontarians; and
- Three: It proposes an alternative budget that would restore public services to their real per-capita 1995-96 level with a balanced budget.

Problems

- Social assistance cuts of 21.6 percent have meant a reduction in purchasing power for the poorest families in the province of 35 percent by August 2003. We see record participation in food banks, record number of homeless too many of them families.
- The sum effect is a huge change in the public economy of this province. The relative size of Ontario's public economy has been cut by almost 20 percent.
- The sum total impact of all Ontario's tax cuts, including personal income tax cuts, corporate tax cuts, and employer health tax cuts, is over \$15 billion. That is the impact in 2003-04 alone.
- Sixty percent of the benefit from the Harris/Eves tax cuts has gone to the highest 20 percent of income earners.
- Independent reports on health and on education confirm that massive reinvestment is needed in these key areas. The Walkerton inquiry showed the devastating impact of a government more concerned with the bottom line than with people's lives.

Solutions

The Ontario Alternative Budget proposes to

- Increase revenues in order to restore public services and balance the budget. We can do this by minimally raising all personal income taxes (0.25%), introducing new tax brackets for those earning over \$100,000, cancelling future corporate tax rate cuts, and eliminating the graduated rate structure for the Employer Health Tax.

The Choice

The Ontario Alternative Budget shows that

- Ontario's public services deficit is not inevitable but the result of political choices made by a government that is not interested in the greater public good.
- It is possible to reverse the damage caused by the Harris/Eves government and repair our public services within a responsible taxation and fiscal framework.

Need more information? Contact us:

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