



Ontario Coalition for Better Child Care Pre-budget submission

BUILDING A CHILD CARE SYSTEM THAT WORKS

CAROLYN FERNS, PUBLIC POLICY COORDINATOR

WHO WE ARE

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

WHY INVEST IN CHILD CARE?

THE ECONOMIC RATIONALE

There are few better ways to invest in Ontario and in Ontarians, than investing in child care. Child care is 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 of child care funding generated \$1.58 worth of local economic activity.¹ 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.² Funding child care makes economic sense. They are some of the best dollars that government can spend.

This economic case joins long-standing arguments for funding child care, including the benefits to children's wellbeing, work-family balance, social solidarity and women's equality.

CLOSING THE GENDER WAGE GAP

The Ontario government has pledged to close the gender wage gap. As an organization that represents the perspectives of both parents and the child care workforce our approach to this issue is grounded in two realities that make building a real child care system a key element in any strategy for closing the gender wage gap:

- 1) The lack of affordable, high quality child care continues to limit many women's opportunities to participate in full-time work, training or education;
- 2) The child care workforce - 97% female - is underpaid and undervalued as determined by Ontario's pay equity process.

These are critical barriers to closing the gender wage gap that a child care system would address.

¹ Prentice, S. (2008). Rural childcare in Manitoba: New economic evidence. Available online at: <http://www.childcarecanada.org/documents/research-policy-practice/08/05/rural-childcare-manitoba-new-economic-evidence>

² 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 online at: <http://www.childcarecanada.org/documents/research-policy-practice/14/10/selected-works-childcare2020-speaker-pierre-fortin>

ONTARIO'S VISION FOR THE EARLY YEARS VS. TODAY'S REALITY

The Ontario government has articulated a vision of a province in which “children and families are well supported by a system of responsive, high-quality, accessible, and increasingly integrated early years programs and services that contribute to healthy child development today and a stronger future tomorrow.”³

The Ontario government has committed to “modernizing child care”, including introducing the *Child Care and Early Years Act* and providing a new wage enhancement for child care staff. We applaud the government for these steps; they are important way stations on a long journey.

But while the Ontario Coalition for Better Child Care appreciates this vision and the first steps taken, we question whether child care has been provided with adequate funds – and indeed adequate policy - to make a “well supported system” a reality.

In Ontario today, we are still living with the results of chronic under-investment in child care. We see the impacts of this under-investment played out every day:

- 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.
- Child care fees across Ontario are the highest in the country, with long waitlists for fee subsidies in many areas. A recent report on child care fees across Canada found that the seven most expensive cities for child care are all here in Ontario: Toronto, Markham, Ottawa, Vaughan, Mississauga, Brampton, and London. Compare the \$987 per month Ottawa parents pay for a preschool space with the average fee of \$174 per month across the river in Gatineau, Quebec.⁴
- The child care workforce – the key to quality programs - continues to experience low salaries, inconsistent working conditions, and precarious work that are resulting in poor morale, job dissatisfaction and high staff turnover.

TURNING THINGS AROUND

There has never been a better opportunity to move forward on developing an early childhood education and care system in Ontario. The recently elected federal government has committed to working together with provinces, territories and Indigenous governments to build an Early Learning and Child Care Framework. This commitment was confirmed in the Ministerial mandate letters of the federal Minister of Families, Children and Social Development and the Minister of Indigenous and Northern Affairs. This is the willing federal partner that Ontario has been waiting for. Ontario has an opportunity

³ Government of Ontario. (2013). *Ontario Early Years Policy Framework*: p.2. Available online at: <https://www.edu.gov.on.ca/childcare/OntarioEarlyYear.pdf>

⁴ Canadian Centre for Policy Alternatives. (2015). *They go up so fast: 2015 child care fees in Canadian cities*. Available online at: <https://www.policyalternatives.ca/publications/reports/they-go-so-fast>

to be a leader on this framework and it is a chance we must seize. It is a time to step up on early learning and child care rather than step back.

In response to this federal commitment, the Child Care Advocacy Association of Canada (our federal counterpart), in collaboration with community partners from across the country, has developed a *Shared Framework for Building an Early Childhood Education and Care System for All*.⁵ This Shared Framework is designed to facilitate a collaborative intergovernmental and community process and serve as a foundation for a program that will grow, over time, to meet the needs of families, children and the child care workforce in all regions.

To kick start this process of transformation we recommend that the Ontario government adopt the principles of the *Shared Framework for Building an Early Childhood Education and Care System for All* and immediately begin a process to transform Ontario's current child care market patchwork into a comprehensive system. 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.

BUDGET ACTION ITEMS:

We recognize that working toward the goal of transformational change in early childhood education and care will be a multi-year process. But there is much that can be done immediately to address issues of affordability, the child care workforce and underserved populations.

- **Recognizing the severe underfunding of Ontario child care, we call on the Ontario government to commit to new child care funding — an immediate \$300 million annual fund to support child care services directly and kick start a process of system transformation;**
- **To begin to address the shortfall of child care spaces, we recommend a \$100 million capital fund to increase spaces across the province;**
- **The province should contribute an additional \$75 million to address immediate system crises such as program viability, and cuts to municipalities through funding formula changes;**
- **Overall funding should be indexed to inflation;**
- **A provincially established workforce strategy to ensure staff with equivalent education and work responsibilities across the sector are paid professional pay for professional work;**
- **Funding and resources to support system infrastructure including data and research.**

⁵ Child Care Advocacy Association of Canada (2016). *Shared Framework for Building and Early Childhood Education and Care System for All*. Available online at: https://ccaacacpsge.files.wordpress.com/2016/01/sharedframework_jan2016.pdf