

Making a better choice for child care in Saskatchewan



Why we need to fight for a national child care system:

A high quality and affordable universal public child care system accessible to everyone provides:

- All children with an equal opportunity for the best start in life. Quality child care leads to better social integration, health and education outcomes for all, and especially disadvantaged children.
- More equal opportunity for parents, and especially women to work, study, learn and improve their quality of life, confident that their children are in a secure and creative environment.
- Better wages and conditions for child care workers, the overwhelming majority of which are lower paid women. Better conditions for child care workers also means better conditions for our children.

A high quality national child care system would provide enormous benefits for our economy as well as higher revenues and lower social spending costs for governments. Studies have shown that for every dollar invested in high quality child care, there is a two dollar benefit to children, parents and society in general¹.

Governments also benefit because higher labour force participation by parents means higher tax revenues – and lower spending on social transfers.

What the federal child care program would have provided for Saskatchewan:

The federal child care program would have provided an additional \$146.6 million in child care funding to Saskatchewan over the next five years. By 2007, federal funding to Saskatchewan would have reached \$45.6 million per year.

As Saskatchewan Learning Minister Deb Higgins recently said, “this was probably one of the most significant social programs

that we’ve seen put forward in Canada since medicare. (It would have had) a huge impact, a huge improvement for families, a huge improvement on the start of life for many young children, it has a huge implication for the future of our province.”ⁱⁱⁱ

In Saskatchewan, the province was planning to:

- Extend pre-kindergarten to all four-year olds. This would have provided up to 10,000 spaces, including spaces in rural areas.
- Add hundreds of new child care spaces.
- Expanded child care subsidies.
- Increase training and professional development for ECE workers.

Losing the federal funding will mean cancelling the pre-kindergarten and child care spaces.

CUPE represents about 125 child care workers in Saskatchewan. Average wages are about \$11 an hour. The Saskatchewan government has said it will go ahead with well-deserved wage increases for ECE workers of 15% over two years, but much more could have been done with the federal funding to provide training and development for workers.

Why the Conservatives’ “Choice in Child Care Allowance” does nothing to increase child care spaces and eliminates choices for working families

The Conservatives’ so called *Choice in Child Care Allowance* -- \$100 per month for each child under six -- isn’t a child care program at all. It will not directly increase the number of child care spaces. It is simply a child allowance and a badly designed one at that. Instead of providing parents with more choices – such as the choice to work, study and improve their family’s quality of life – it *eliminates* choices.

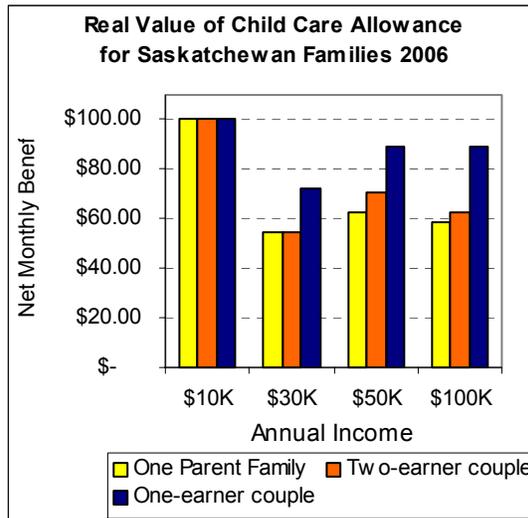
The Conservative view of child care, as outlined by Social Development Minister Diane Finley, is that parents should stay home to care for their children instead of putting them in care. Over 83% of women aged 25-44 in Saskatchewan are now in the labour force, contributing to society and to their families' future. They are working because they want and need to work – not to make pin money.

The proposed child care allowance is deeply flawed in many waysⁱⁱⁱ. Because it will be taxable income, the true value is much lower than \$100 per month after taxes and transfer payments, are factored in.

- *Would provide for only a fraction of child care costs.* After taxes and transfers are factored in, the allowance will provide most families with about \$2 a day per child. For families making around \$30,000, the net benefits are particularly low: barely enough for a cup of coffee, let alone decent child care.
- *Gives much higher net benefits to families with a stay-at-home spouse and actively discourages mothers from working.* Families with a stay-at-home spouse will benefit by 25% to 50% more than a single parents and two-earner families.
- *Net benefits are inequitable and irrational.* Working families at the poverty line will benefit the least, while those with higher incomes will get more.
- *Federal and provincial treasuries will make windfall gains in the form of higher taxes and lower transfer payments.* Of the \$1.8 billion that the Conservative allowance will cost each year, almost \$500 million will be taxed back in various forms by federal and provincial governments.

No amount of fiddling will make this into a real child care program. We need to fight to build the child care system that Canadian families need and deserve.

Net Benefit of Proposed Child Care Allowance to Saskatchewan Families



- *A single parent with an income of \$30,000 in Saskatchewan will get a net benefit of only \$54.30 per month.*
- *A couple family with an income of \$100,000 and one spouse at home will get a net benefit of \$89.11 per month.*
- *The benefits for lower income families will be even less if it results in claw backs against child care subsidies.*
- *Saskatchewan announced that it will not claw back social assistance payments, but other provinces might, which would mean that they would benefit the least of all.*

How to get involved:

- Send an open letter to tell Stephen Harper to honour the child care agreements at: <http://www.buildchildcare.ca/>
- Tell your elected representatives to maintain the child care agreements.
- Get supportive organizations to join the campaign.

ⁱ *The Benefits and Costs of Good Child Care*, Gordon Cleveland and Michael Krashinsky. University of Toronto at Scarborough, 1998.

ⁱⁱ Quoted in the *Saskatoon StarPhoenix*, "Province consults with child-care representatives", James Wood, February 22, 2006, page A11.

ⁱⁱⁱ See also *The Choice in Child Care Allowance: What You See Is Not What You Get*, Ken Battle, Caledon Institute of Social Policy, February 2006.