



Fast

# FACTS

CANADIAN CENTRE FOR POLICY ALTERNATIVES - MANITOBA

there is an alternative.

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## Why Vote Childcare in 2015: What Manitobans Need to Know

**T**hirteen federal elections ago, in 1970, the Royal Commission on the Status of Women recommended a national childcare program. Fast-forward to 2015, and Canadian parents are more desperate than ever for affordable, quality childcare.

Up to 85 percent of all households with children have a mother in the paid labour force, making childcare an issue for nearly all young families. Canada, with its nearly 5 million children under the age of 12 years, has just under 1 million licensed regulated childcare spaces; spaces which are very unequally spread across the provinces, with varying quality and regulatory standards, at hugely unequal costs ranging from just \$7/ day to \$75/ day. Where childcare spaces don't exist or aren't accessible, families are forced to resort to unregulated options - from family care (often by grandparents) or unlicensed and often expensive 'informal' care.

Given these realities, building a national childcare system is long overdue. Many European countries can meet or exceed the European Union targets of an early learning and care space for at least 33 percent of youngsters under three years, and 90 percent of preschoolers. Canada, which averages out at services for 20.5 percent of children under the age of 12, lags very far behind.

Over the past decade, the Conservative government has failed to improve childcare

services and has actually made things worse. In 2006, the freshly elected Conservatives cancelled five-year agreements Ottawa had signed with each of the provinces. These bilateral agreements would transfer \$5 billion to provinces to expand quality, universally inclusive, accessible and developmental childcare. Over the term of the agreement, Manitoba would have received \$176 million; funds it lost in what Family Services Minister Gord Mackintosh called "one of the biggest U-turns in Canadian social policy history." In the first and only year of the agreement before it was cancelled, \$34 million was transferred to Manitoba, making up a full 33 percent of our province's 2005-06 childcare budget, a sign of how important Ottawa's decisions are to Manitoba childcare.

After cancelling the bilateral agreements, the Conservatives launched the misleadingly named "Universal Choice in Childcare Benefit" (UCCB), which initially provided a taxable \$100/ month for each child under the age of six years. In 2015, Ottawa boosted the amount to \$160/month, and added \$60/ month for each child up to the age of 17. The cost of the UCCB will be \$6.7 billion in 2015-2016. Most researchers agree that Canadians need a Family Allowance (something Conservative Prime Minister Brian Mulroney

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terminated in 1992), but the UCCB is a very poor substitute. Because it is taxable, the UCCB triggers a bill at income-tax time – on average, Canadian parents keep less than one-third of their benefit. Economic analysis shows the mechanics of the program disproportionately benefit higher over lower-income earners. Inefficient UCCB spending is compounded by another tax program, the Child Care Expense Deduction, worth \$900 million in 2014-2015. Combined, the federal government will spend \$7.6 billion, but none of these funds will grow childcare services or increase quality.

While the Conservatives have not directly addressed the shortage of childcare spaces, the NDP, Liberals and Green parties have all proposed a different way to help parents. Each has suggested ways the federal government can proactively expand the supply of spaces, increase quality, and ensure services are affordable. The NDP has proposed a five-year plan to build 1,000,000 new spaces at a maximum cost of \$15/day – doubling the national total. The Greens have proposed a universal childcare program, the reinstatement of the bilateral agreements, and prioritized workplace childcare. The Liberals have said that within 100 days of forming government, they would work in partnerships with provinces, territories and Indigenous people to develop a national framework for childcare.

Three of the four national parties have platforms that address the needs of working families with young children. The NDP, Liberals and Green parties envisage an engaged federal government working in partnership with provinces to build actual services. Conservatives, in contrast, prefer a hands-off fiscal policy that does nothing to grow the stock of childcare spaces.

Here in Manitoba, there are approximately 32,500 spaces for our 187,400 children aged 0-12. Manitoba's ability to grow childcare, increase its quality and accessibility, and ensure worthy wages for early childhood educators is closely tied to decisions made in Ottawa. How Manitoba childcare fares in the upcoming year will depend in great part on the outcome of Election 2015.

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Vote Child Care 2015 (<http://ccaac.ca/vote-child-care-2015/>) is a campaign of the Child Care Advocacy Association of Canada

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