

# RESPONSES TO COMMON QUESTIONS ABOUT \$10-A-DAY CHILD CARE

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November 25, 2024

QUESTION	ANSWER
<b>Do most Canadian families benefit from \$10-a-day child care?</b>	No. While the federal program costs \$30 billion over 5 years, most Canadian families <i>receive no benefit</i> from the billions spent – only 29% of children aged 0-12 had access to a licensed space in 2021. <sup>1</sup> Further, not all licensed child care for children under age six receives federal funding through this program. Add to this that Statistics Canada survey data show that parents use diverse forms of care to meet their needs. <sup>2</sup> Cardus estimates that if the federal spending on this program went directly to families instead of directly to day care centres, parents would receive <b>\$3,869</b> per child, per year. <sup>3</sup>
<b>Does the federal program help low income families the most?</b>	No. Research shows that <i>wealthy</i> families are more likely to use the form of care the federal plan funds. <sup>4</sup> One study states, “Parents with lower socioeconomic status (e.g. with lower income and lower education levels) are less likely to enroll their children in regulated child care compared to parents with higher socioeconomic status.” <sup>5</sup>
<b>Are Canadians highly supportive of this child care plan?</b>	Polling suggests the public have truly diverse views, including support for a range of policies. There are higher levels of support for a refundable tax credit and expansion of the child disability benefit than for a \$10-a-day system. <sup>6</sup>
<b>Would more money fix the problems with \$10-a-day care?</b>	No. The problems with the program are structural and there are no “quick fixes.” In fact, many provinces have struggled to effectively spend federal funds. Eight provinces and territories amended their agreements to increase the amount of unspent funding that they can carry over from one year to the next. In four cases, provinces amended their agreements twice to increase carryover allowances. <sup>7</sup> The \$10-a-day program has inflated demand by rapidly lowering parent fees even as the sector struggles with labour shortages and rising costs. Simply increasing the size of transfers will not resolve complex issues like the labour shortage and inflation.
<b>Isn't \$10-a-day an obvious solution to high child care costs?</b>	For decades, the federal and provincial/territorial governments have been offsetting the true cost of license child care, requiring all families to pay through their taxes for the child care of a few. The current federal program amplifies this inequality by significantly reducing fees for child care that is available to only a minority of parents.
<b>How does prioritizing non-profit and public child care hurt Canadian parents?</b>	Because the agreements deny or limit the portion of funds that may go to space creation in independent or for-profit licensed child care centres, it puts those centres at a disadvantage. This is a significant problem in provinces where the majority of licensed care is operated by independent providers. <sup>8</sup> The decision to discriminate against these operators is counterproductive in achieving space creation goals.
<b>What is the role of the federal government in child care?</b>	The federal government is a funder. It offsets the cost of child care for parents (including non-licensed care) through tax deductions and the Canada Child Benefit, and transfers funds to provinces, territories and Indigenous communities for licensed child care. The federal government does not create spaces, license, regulate or administrate child care. The federal government cannot implement \$10-a-day without securing agreements with the provinces and territories, who legislate, fund, license, and regulate child care.

<p><b>Is the federal government addressing daycare deserts?</b></p>	<p>Daycare deserts is an advocacy tool using ratios of licensed spaces to the number of children in a postal code. Fewer than one space per three children is deemed a desert. The concept does not measure demand nor account for other forms of care parents use, but nonetheless has become imbedded in government literature. Some provinces such as Manitoba allocate funds toward space creation in areas the province deems underserved. The problem remains that across the country, the program is not meeting space creation targets. In Nova Scotia, for example, the province saw a decrease in the number of child care centres during the first two years of the program.<sup>9</sup></p>
<p><b>Doesn't the program just need more time to be successful?</b></p>	<p>The \$10-a-day program is plagued by inequitable access for families, workforce shortages, quality care issues and funding shortfalls. These same problems remain in the Quebec program after more than two decades since its inception.<sup>10</sup> The federal plan risks embedding an increasingly expensive, inaccessible, and mediocre quality program within the provinces and territories.</p>

## FURTHER CARDUS RESEARCH

**Child Care Funding Update:** Peter Jon Mitchell, "Child Care Funding Update." Cardus, 2024.

<https://www.cardus.ca/research/child-care-funding-update/>

**Look before you leap: The real costs and complexities of national daycare:** Andrea Mrozek, Peter Jon Mitchell, and Brian Dijkema. "Look Before You Leap: The Real Costs and Complexities of National Daycare." Cardus, 2021. <https://www.cardus.ca/research/family/reports/look-before-you-leap/>.

<sup>1</sup> M. Friendly, "Summary and Analysis of Key Findings: Early Childhood Education and Care in Canada 2021 and beyond," Childcare Resource and Research Unit, 2023, [https://childcarecanada.org/sites/default/files/Summary-Analysis-Key-Findings-ECEC21\\_0.pdf](https://childcarecanada.org/sites/default/files/Summary-Analysis-Key-Findings-ECEC21_0.pdf).

<sup>2</sup> "Table 42-10-0031-01 Type of Child Care Arrangement, Children Aged 0 to 5 Years," Statistics Canada, December 5, 2023, <https://doi.org/10.25318/4210003101-eng>.

<sup>3</sup> A. Mrozek, P. J. Mitchell, and B. Dijkema, "Look Before You Leap: The Real Costs and Complexities of National Daycare," Cardus, May 2021, <https://www.cardus.ca/research/family/reports/look-before-you-leap/>.

<sup>4</sup> Ben Miljure, "New Study Shows Few Low-Income Families Benefiting from \$10 Daycare in B.C.," British Columbia, December 17, 2023, <https://bc.ctvnews.ca/new-study-shows-few-low-income-families-benefiting-from-10-daycare-in-b-c-1.6691486>.

<sup>5</sup> D. S. Lero et al., "Non-standard Work and Child Care in Canada: A Challenge for Parents, Policy Makers, and Child Care Provision," Childcare Resource and Research Unit and University of Guelph, December 2019, 26, [https://childcarecanada.org/sites/default/files/Non%20standard%20work%20and%20child%20care%20in%20Canada\\_Final\\_%5BPDF\\_pp\\_227%5D\\_0.pdf](https://childcarecanada.org/sites/default/files/Non%20standard%20work%20and%20child%20care%20in%20Canada_Final_%5BPDF_pp_227%5D_0.pdf).

<sup>6</sup> A. Mrozek, "How do parents really feel about the government's daycare options?" The Hub, September 2023, <https://thehub.ca/2023-09-05/andrea-mrozek-how-do-parents-really-feel-about-the-governments-daycare-options/>; "Birth Rate Crisis? Half of Those Who Want Children Have Waited Longer than They'd like, Due Largely to Cost," Angus Reid Institute, October 10, 2024, <https://angusreid.org/birth-rate-crisis-child-care/>.

<sup>7</sup> Alberta, Manitoba, New Brunswick and Newfoundland amended their agreements to increase the carryover amount. British Columbia, Nova Scotia, Prince Edward Island, and Saskatchewan amended their agreements to increase carryover amounts twice. See *Early Learning and Child Care Agreements*, <https://www.canada.ca/en/early-learning-child-care-agreement/agreements-provinces-territories.html>

<sup>8</sup> For example, Alberta and Nova Scotia rely significantly on for-profit providers.

<sup>9</sup> P.J. Mitchell, "Child Care Funding Update: Nova Scotia—Years One and Two (2021–22 and 2022–23)," Child Care Funding Update (Hamilton, ON: Cardus, August 29, 2024), <https://www.cardus.ca/research/family/research-brief/child-care-funding-update-nova-scotia-years-one-and-two-2021-22-and-2022-23/>.

<sup>10</sup> A. Mrozek, "Andrea Mrozek: Quebec's Child-Care System Isn't What You've Been Told It Is," *The Line*, February 10, 2022, <https://www.readtheline.ca/p/andrea-mrozek-quebecs-child-care>.