

# \$10 a Day Child Care Plan or Tax Credit?

The Liberals and NDP have promised to implement a Canada-wide system of \$10 a day child care, expand availability and fund fair compensation for early childhood educators. The Greens have also pledged support for universal child care. The 2021 federal budget provides \$30 billion over five years (and a minimum of \$9.2 billion annually after 2025-26) to build a system of child care. Conservatives will cancel the budget allocation and introduce a refundable child care tax credit.

	2021 FEDERAL BUDGET	CONSERVATIVE TAX CREDIT
<b>What is it</b>	The 2021 federal budget allocated \$30 billion over the next five years, and a minimum of \$92 billion annually after 2025-26, to building a universal, publicly funded system of licensed child care for all families who choose it, with parent fees capped at \$10 a day and fair wages for educators.	The Conservatives will eliminate the \$10 a day plan. They propose a tax credit to give some parents a partial refund for receipted care costs. Economists have estimated only 6,600 families will receive the maximum credit of \$6,000.
<b>Does it reduce and cap parent fees?</b>	<b>YES.</b> Fees, which typically increase faster than inflation, are reduced by 50% in 2021- 2022 and capped at a maximum \$10 per day by 2025-26 or sooner.	<b>NO</b> fee reductions or caps.
<b>Does it make child care more available?</b>	<b>YES.</b> The 2021 federal budget is funding 250,000 new licensed child care spaces over the next five years, 40,000 new early childhood educator positions.	<b>NO</b> commitment to increasing child care spaces or ensuring they are available where needed.
<b>Does it improve quality?</b>	<b>YES.</b> Federal funding agreements with provinces/territories require improvements in quality and inclusion of children and families in all their diversity.	<b>NO.</b> The Conservatives will cancel the funding agreements with the provinces and territories. They make no commitment to ensuring that child care programs are high quality, reliable, or safe.
<b>Does it support Indigenous-led child care?</b>	<b>YES.</b> Funds are earmarked for Indigenous Early Learning and Care.	<b>NO.</b> The Conservatives have made no commitments to address the early learning and child care needs of Indigenous children, families or communities.
<b>Does it help recruit and retain early childhood educators?</b>	<b>YES.</b> The plan includes fair wages for those who work in child care and other measures to attract and retain qualified educators.	<b>NO.</b>
<b>Does it work?</b>	<b>YES.</b> Publicly funded systems of high quality child care have been proven to be life-changing for children, women and families. They massively boost the economy by facilitating female labour force participation.	<b>NO.</b> There are no examples anywhere in the world of effective child care systems funded through tax credits.