

# REAL QUESTIONS ABOUT UNIVERSAL CHILD CARE

Since the start of the pandemic, calls for universal child care have picked up steam. Before pursuing this policy approach, however, there are important questions to answer. These questions pertain to all aspects of child care—accessibility, quality, and cost. Every family is different, and child care needs and desires vary.

**Will a federally funded, universal system be able to meet these needs?**

**THE QUESTION:** WOULD SPENDING 1 PERCENT OF GDP ON CHILD CARE, IN KEEPING WITH OECD STANDARDS, ACHIEVE A NATIONAL, HIGH-QUALITY DAYCARE SYSTEM?

The OECD’s “1 percent of GDP” is an arbitrary figure that does not correlate with the quality of care provided in Canada or any other country. It is simply an average of what is in fact being spent in nations as diverse as Portugal, Sweden, and Luxembourg. OECD nations vary in culture, geographic size, and population size, among other factors. Each nation’s family policy also varies in the larger picture, which may include parental leave, family spending, tax rates, and funding for preschool and kindergarten.

Canada is not included in OECD estimates due to the difficulty of measuring provincial and municipal spending in our federalist system. For the same reason, the OECD also notes that it cannot measure money that is included in block grants to the provinces for children.<sup>1</sup>

Spending about 1 percent of GDP in Canada in 2019 would peg national daycare spending at about \$19 billion annually. But current, realistic estimates of the cost of a national, universal, and high-quality system have not been done. One federal estimate made as part of a taskforce in 1986 put the cost at \$11.3 billion annually.<sup>2</sup> In today’s dollars, this would be roughly \$28 billion.

Should Canada follow the Quebec model, we will find ourselves in a situation in which, just as in Quebec, the funding is never adequate to provide a high-quality space for each child. Economist Vincent Geloso estimates that in Quebec between 1997 and 2010 the cost rose by 562 percent but spaces increased by only 156 percent.<sup>3</sup> Furthermore, in spite of high spending levels, quality in Quebec has been ranked as mediocre, according to several rigorous sources.<sup>4</sup>

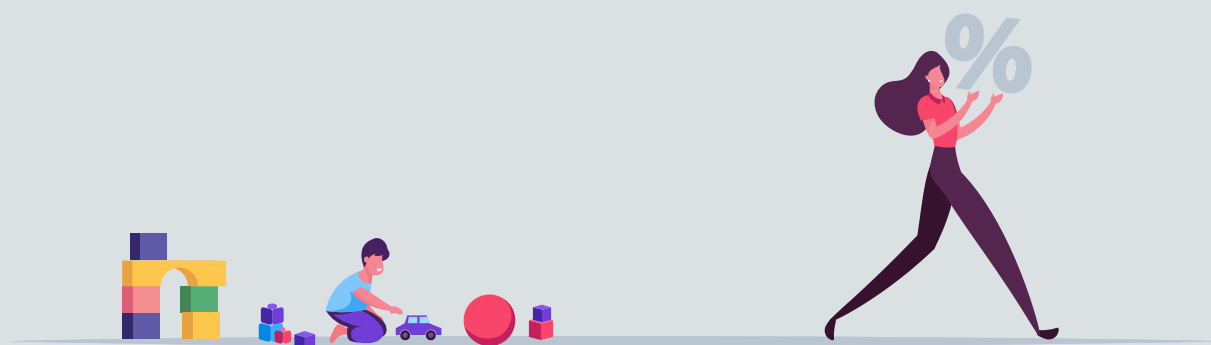
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1. Organisation for Economic Cooperation and Development, “Public Spending on Childcare and Early Education,” November 22, 2016, [https://www.oecd.org/els/soc/PF3\\_1\\_Public\\_spending\\_on\\_childcare\\_and\\_early\\_education.pdf](https://www.oecd.org/els/soc/PF3_1_Public_spending_on_childcare_and_early_education.pdf).

2. Martha Friendly, “It Was Twenty Years Ago Today . . . March 8, 1986,” Childcare Resource and Research Unit, March 3, 2006.

3. Vincent Geloso, “Childcare Services in Quebec: Spending Explosion,” *Vincent Geloso* (blog), December 1, 2011, <https://vincentgeloso.com/2011/12/01/childcare-services-in-quebec-spending-explosion/>.

4. One look at the problems of universal care can be found here: Conor Williams, “When ‘Universal’ Child Care Isn’t Universally High-Quality,” *The Atlantic*, May 1, 2018, <https://www.theatlantic.com/family/archive/2018/05/quebec-child-care-family-leave/559310/>.



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### **THE TAKEAWAY**

**One percent of GDP does not represent real costs and does not correlate with quality outcomes. Furthermore, providing a universal, high-quality, low-user-cost system in Quebec has proved expensive and, as of yet, unattainable. Instead, Canada should embed child care within a more comprehensive family policy that respects families’ diverse care needs.**