

Quebec's childcare system in a nutshell

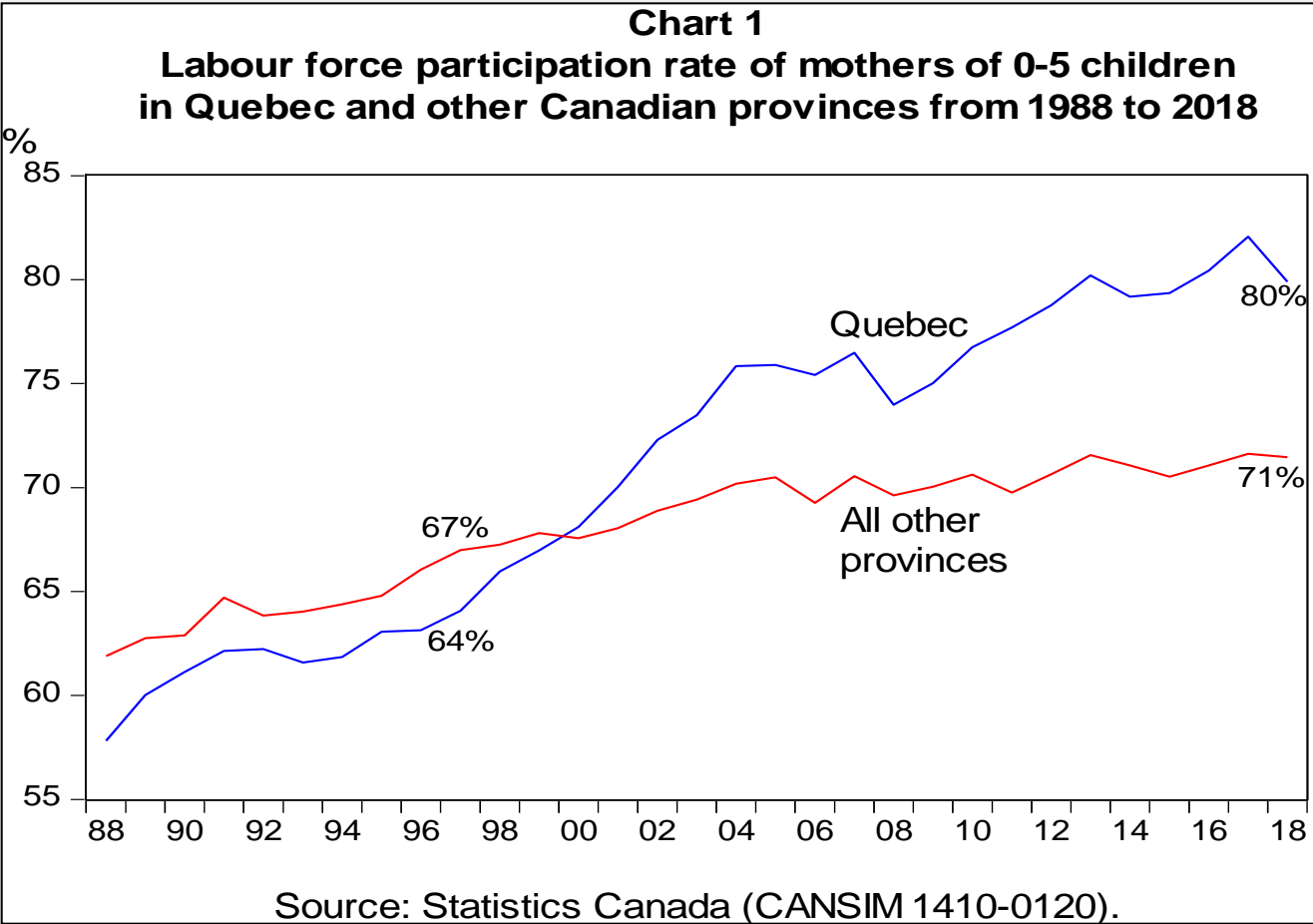
<u>Type of care^a</u>	<u>For profit?</u>	<u>Fee^b</u>	<u>% of children</u>
Early childhood centres (CPE)	No	\$8.25-\$21.45	21
Family-based settings (> 6)	No	\$8.25-\$21.45	17
Reduced-fee private centres	Yes	\$8.25-\$21.45	11
Full-fee private centres	Yes	≈ \$40, less PRTC	11
All other types	Mixed	Various	40
<u>Total</u>	<u>100</u>

^a All providers of childcare are private; no settings are run by government.

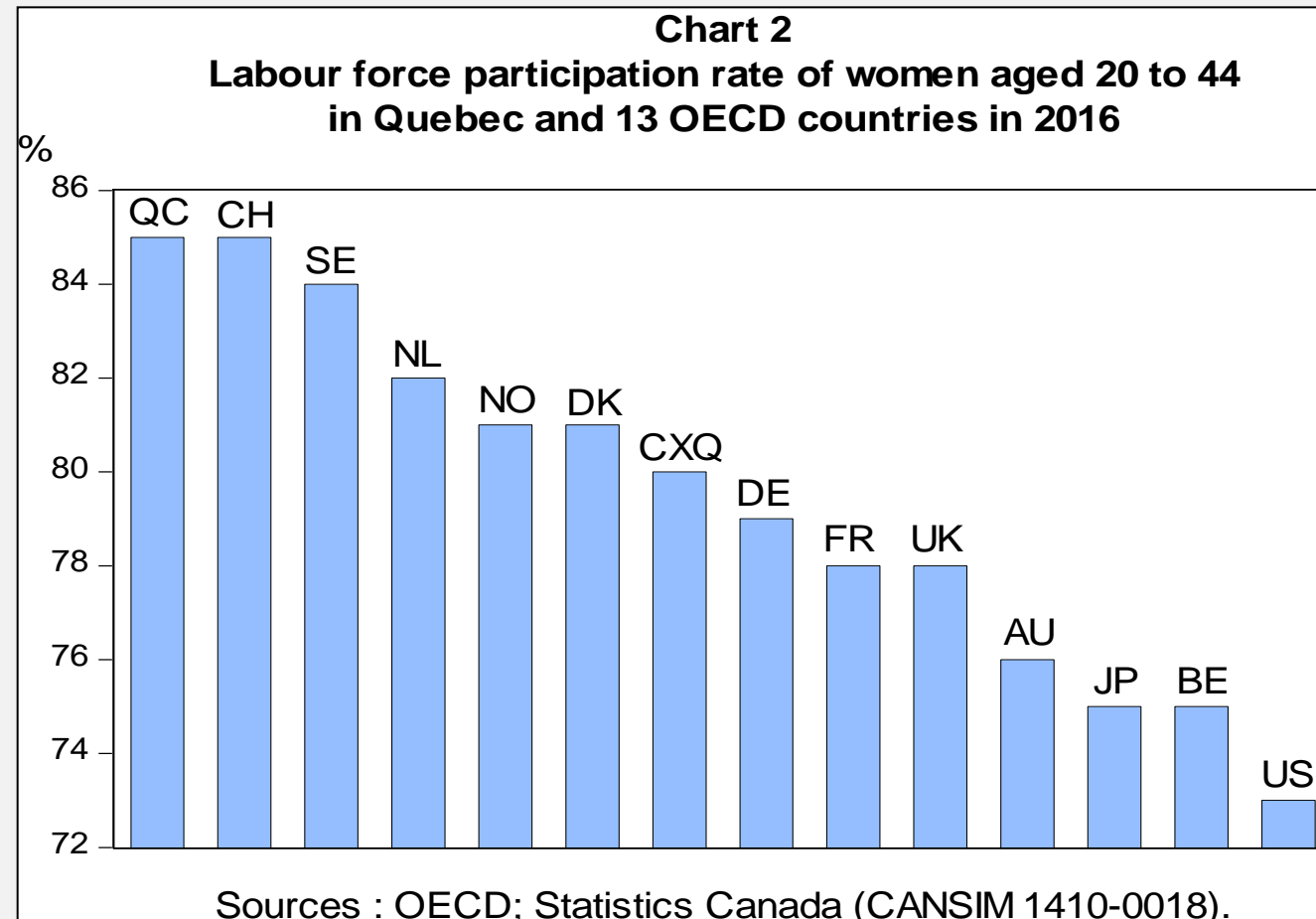
^b All types give access to the federal PIT deduction for childcare expenses.

Source: Quebec Ministry of the Family.

Labour force participation of mothers: Quebec compared to other provinces



Labour force participation of mothers: Quebec compared to OECD countries



The program generates fiscal surpluses

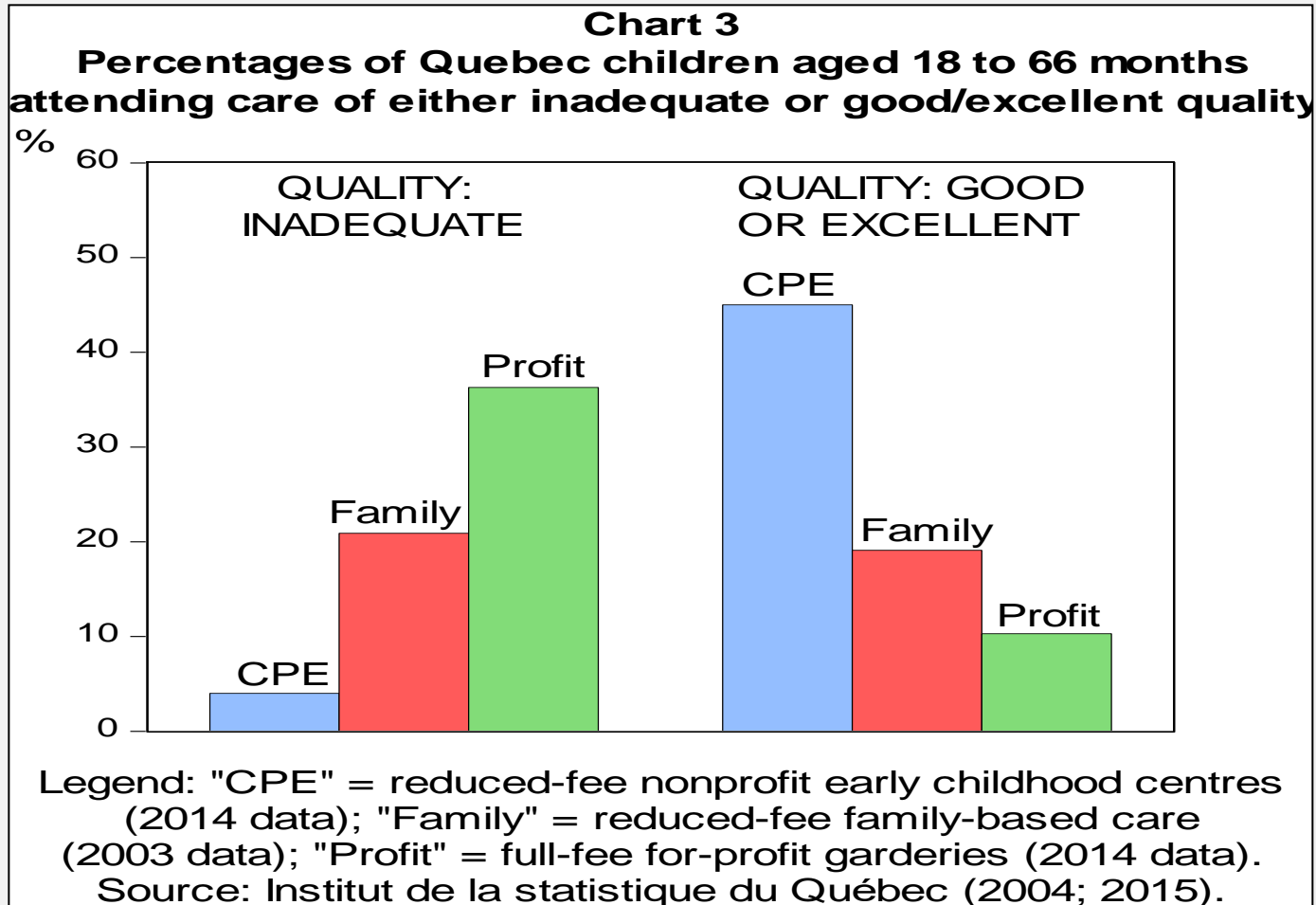
Estimated impact of Quebec's reduced-fee childcare on federal and provincial government revenue and expenditure in 2008 (millions of dollars)

<u>Impact on:</u>	<u>Federal</u>	<u>Provincial</u>	<u>Total</u>
Tax revenue ^a	+530	+1,129	+1,659
Transfers to persons	-100	-179	-279
Tax expenditure	-43	-170	-213
Program cost	0	+1,232	+1,232
Fiscal balance	<u>+673</u>	<u>+246</u>	<u>+919</u>

^aContributions to social insurance plans are not included.

Source: P. Fortin, L. Godbout and S. St-Cerny, *Papers in Political Economy*, No. 47, 2013.

Quality of care is highly variable: the good, the bad and the ugly



Licensed childcare is less affordable for low- than middle- and high-income families

