New Evidence on How Universal Child Care Influenced Child Care Decisions and Child Development in Canada

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Abstract

The Quebec Family Policy introduced large scale subsidization for child care use and is often portrayed as a model for other jurisdictions. Enacted in September of 1997, access to $5-a-day child care was granted to children age 4 immediately. Younger children only received access to this subsidy over subsequent years. Using the staggered introduction of the policy, we introduce a triple differencing strategy to provide new evidence of the policy’s impact on child developmental outcomes. Our results continue to find that on average, access to universal child care led to declines in developmental and family outcomes. More interestingly, our results uncover that following the introduction of the policy, many families of younger children behaved strategically, registering their children in child care to block spots for them that would later become subsidized once their child ages, with policy relevant differences in take-up by maternal education. These results suggest that implementation of the policy reduced the equality of childhood opportunity and highlight the importance that should be paid to implementation issues when designing universal early childhood education and care policies.

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