

Coalition of Child Care Advocates of BC

Working for a publicly funded, non-profit child care system that is high quality, affordable, accessible and accountable.

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Backgrounder

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About January 2007 BC Child Care Cuts

On Jan. 5, 2007, Linda Reid, BC's Minister of State for Child Care, issued a letter to child care providers, families and funded agencies announcing child care program funding cuts of almost 15%. The estimated total value of these cuts is \$35 - \$40 million. Reductions will be phased in over the next 9 months and include:

1. As of July 1, 2007 a **27% reduction in Child Care Operating Funding** for children from birth to six years of age in licensed group and family child care services.
2. By Oct. 1, 2007 a **77% reduction in funding for Child Care Resource and Referral Programs (CCRRs)** that provide parent information about child care options in communities, assist parents to apply for Child Care Subsidies, recruit family child care providers, and support quality in child care services.
3. A **'freeze' on major child care capital funding** for a saving of \$7 million.
4. A **'cap' on access to Child Care Operating Funds** for most new child care spaces.

The impact of these cuts include:

- 1. Increases in fees for families with children from birth to 6 years of age.**
Fee increases will vary based on the age of the child, but could add close to \$1000 a year to the already substantial cost of child care for children under the age of 3. Quality child care will be out of reach for even more BC families than it already is.
- 2. The end of Child Care Resource and Referral Programs as we know them.**
Families will no longer have accessible information about child care in their community or assistance in applying for child care subsidies and the quality of child care programs will likely decline.
- 3. More severe shortages of licensed child care spaces in BC.**
Currently, BC has a regulated child care space for only 13.7% of children from birth to 12 years of age. With a freeze on capital funding, wait lists will continue to grow. Even if other capital funding sources are available, growth will be further curtailed by the 'cap' on Child Care Operating Funds for new spaces.
- 4. Wasteful use of public funds.**
CCRRs have been asked to provide the province with the projected costs of 'closing their programs' (e.g., buying out rental and equipment leases, terminating employees, etc.). The province will use unspent federal child care funds to cover these costs.

Minister Reid blames the cuts on the federal government's decision to cancel its Agreement on Early Learning and Child Care with BC, effective March 31, 2007. Yet, in 2002, BC cut over \$40 million from its own spending on child care which has never been replaced.

BC has a projected budget surplus for 2006/07 of over \$2 billion. This is more than enough to restore provincial child care spending to 2001/02 levels and reverse the current cuts. BC also has sufficient funds to move beyond current inadequate child care funding levels to build a quality child care system.

For more information on BC child care financing from 2001/02 to the present see:

<http://action.web.ca/home/cccabca/alerts.shtml?x=93348>

<http://action.web.ca/home/cccabca/alerts.shtml?x=93430>