



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

**Pre-Budget submission to the Federal Standing Committee on Finance
2010 Federal Budget
August 2009**

The Coalition of Child Care Advocates of BC (CCCABC) is a voluntary, non-profit organization of parents, child care workers, interested citizens and community organizations. Our advocacy for a publicly funded, high quality, affordable child care system is based on extensive evidence and on the lived experiences of BC families. International and national research clearly demonstrates that a universal approach to quality child care promotes healthy child development at the same time as it:

- supports families and their workforce participation,
- reduces child poverty,
- advances women's equality, and
- deepens social inclusion.

These goals are supported by a significant majority of Canadians who recognize that what is good for children and families is also good for Canada's economic, social and environmental well being.

The CCCABC has clear and concise answers to the two questions posed this year by the House of Commons Standing Committee on Finance.

1. What federal tax and program spending measures are needed to ensure prosperity and a sustainable future for Canadians from an economic, social and/or environmental perspective?

The most significant measure the federal government can take to ensure prosperity and a sustainable future is to invest in building and maintaining a high quality, universal system of early care and learning for Canada's children.

This measure will be an immediate stimulus to the economy by creating construction jobs typically held by men and by creating new and sustainable jobs for early childhood educators – jobs typically held by women. Multiple studies show that child care provides a higher economic stimulus return than any other sector.

This measure will also immediately help families who are struggling with the impacts of the economic down-turn. First, it will help ameliorate negative impacts of poverty on young children's growth and development. It will also make it possible for parents, particularly mothers, to train, retrain, seek and keep jobs. Further, as the cost of child care declines, families will be able to reallocate their limited resources to other needs like housing, food and transportation.

In addition – this measure has the long term benefit of ensuring that Canada's children get the best possible start. Not only is this the right thing to do for Canada's children – it also makes economic

sense. The evidence is clear that high quality experiences in the early years make a difference to children's long term health and well being. While good experiences reduce social costs down the road – poor experiences can do harm and end up costing us all more in special education, income assistance, prison and so on.

This lesson has not been lost on our international trading partners – all of whom do a better job than Canada of providing access to early care and learning for their children.

Canadians are often shocked to learn that in 3 current international studies comparing the status of early care and learning in developed countries – Canada ranks last. The OECD reports that Canada ranks last of 14 developed countries in the percentage of GDP spent on young children's care and education. The same study shows us last of 20 countries in rates of access to pre-school programs. And, a recent UNICEF reports again rates us last of 25 countries on 10 benchmarks to prepare children for the transition to school.

For these reasons, we are confident that from economic, social and environmental perspectives – sustained investment in building a high quality system of early care and learning is the best measure the federal government can take.

As Dr. Fraser Mustard says so clearly, “the quality and capacity of our future population depends on what we do now to support early childhood development.”¹

2. What federal stimulus measures have been effective and how might relatively ineffective measures be changed to ensure that they have the intended effects?

One of the most ineffective federal measures was the cancellation of the federal-provincial-territorial Bi-Lateral Agreements on Early Learning and Child Care and their supposed replacement with a taxable \$100 monthly stipend paid directly to families.

As was projected when this measure was introduced, \$100 a month is NOT a child care program. It does not come close to meeting the actual cost of child care; it does nothing to ensure a child care space is available nor does it provide an adequate level of public accountability.

Since this measure was introduced, the child care situation in BC has gone from bad to worse. BC cut direct operating funds to child care programs, saying that parents now had \$100 more they could spend on child care fees. As a result, fees went up.

In 2008, a Metro Vancouver family with a 4-year-old in full-time child care and a 7-year-old in before and after-school care paid \$1025 per month, or \$12,300 per year for child care. Child care costs accounted for 20% of their monthly expenditures – the 2nd highest cost after housing.

Nor has the purported initiative to create more child care spaces been effective. From 2001- 2006, many BC communities lost licensed child care spaces. Then, in 2007, BC offered some capital grants that may have reversed the downward trend but have not offset the losses of the previous 5 years.

¹ Retrieved from <http://www.councilecd.ca/>

Interestingly, the \$100 a month measure costs \$2.5 billion annually. It clearly was and is not a money saving approach. Rather, it reflects an outdated ideological view that mothers should stay home and that communities have no role to play in supporting families to raise their children. While there is no question that many Canadian families need better income supports – this particular measure is also not an effective poverty reduction strategy. In 2007, 9.5% of children across Canada lived in poverty. In BC, 13% of children fell below the poverty line. And this is after years of good economic times. We can only dread what the poverty levels will be next year.

We therefore call on the federal government to change its approach to family support by developing an integrated family policy that provides adequate parental leave, ensures families have an adequate income AND invests in a high quality early care and learning system for all.

Recommendations

The good news is that the majority of Canadians understand that current child care policies are failing families. In a September 2008 Environics Poll, 77% of Canadians thought that the lack of affordable child care is a serious problem in Canada today. In BC, 85% of respondents saw lack of affordable child care as a serious problem.²

The even better news is that a significant majority of Canadians support government taking action. The 2008 Environics poll reported that 83% of respondents think government has an important role to play in helping parents meet their child care needs. And, a June 2009 Harris/Decima poll reported that 71% of respondents believe government plans (like in Ontario) to support full-day kindergarten and daycare programs for four and five year olds are a good idea. Again, support was even higher in BC.³

Even the BC government, through its study of the benefits of All Day Kindergarten for 3-5 year olds, now recognizes the importance of quality, universal, publicly funded programs for young children. But, BC says it cannot act because of a lack of adequate funds. This is clearly the place for federal action.

We therefore recommend that the federal government:

Prioritize, in the 2010 Budget and beyond, significant and increasing new federal transfer payments to provinces and territories conditional upon their provision of a plan, with measurable targets and timelines and approval of provincial legislatures, to build a system of quality, affordable, inclusive child care services.

Specifically, as a condition of transfer, provinces and territories must agree to provide direct operating funding to regulated child care⁴ services that are, in turn, accountable for raising the wages of professional early childhood educators, lowering parent fees, and building community-owned spaces that meet the diverse needs of Canada's families, particularly those who participate in the paid labour force.

We look forward to the federal government implementing our recommendation.

² Retrieved from http://www.ccaac.ca/pdf/resources/polls/2008EnvironicsReport_Atitudes_toward_child_care.pdf

³ Retrieved from http://www.harrisdecima.com/en/downloads/pdf/news_releases/062609E.pdf

⁴ Services that children under school age attend without their parents are regulated through provincial child care legislation and child care regulations. The term child care is therefore used to cover all early learning and care services whether part-time (preschool, nursery school) or full time and used by parents both in and out of the paid labour force. Internationally, child care programs may also be referred to as early childhood education (and care).