

Coalition of Child Care Advocates of BC

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

3rd Floor, 210 West Broadway, Vancouver, British Columbia V5Y 3W2
tel: 604.709.5661 www.cccabc.bc.ca fax: 604.709.5662

Introduction

The Coalition of Child Care Advocates of BC is a voluntary organization of interested citizens – parents, employers, employees, and community organizations.

We agree that:

- families and communities, business and governments can and should be partners who share responsibility for creating a healthy economy, stronger communities and a better society.
- Canada needs to be proactive and implement social policy and funding that nurtures the development of skills that will maximize our potential as individuals, as vital communities, as regions, and as a nation.

We know that decisions taken by the federal government today will enhance the capacity of our country **OR** deny us the critical opportunities to ensure that young children, the workforce of tomorrow, are healthy and have the right skills to collectively benefit communities and Canadian society in the coming years.

We believe that as a wealthy country, if the Canadian government is truly committed to the well-being of our citizens from coast to coast to coast, AND is truly committed to enhancing our country's economic and social health, then it must play a leading role in developing and supporting social policy that will create a healthy economy, stronger communities and a civil society.

A few key points we want to emphasize

A continuously growing body of Canadian and international research affirms that the quality of care that children receive during their early years affects children and their families throughout their lives. This extensive and credible body of research concludes that high quality, regulated child care positively influences children's health and learning, while poor quality care can do harm. As many Canadians are aware:

- In the first 6 years of life, a child goes through the most critical periods for brain development. These periods help determine future capacity.
- High quality, regulated child care offers appropriate intellectual, social and emotional stimulation and teaching for children in these critical early years.

- High quality, regulated child care services help a child start grade 1 ready to learn and more likely to succeed – in school and in life.
- Attempts taken in later years to try to remedy problems that children experience, are both more costly and much less effective.
- Quality regulated child care is crucial in a strategy to address child and family poverty.

Research affirms that quality, regulated child care is an essential component of a comprehensive family policy

Quality, regulated child care is known to be an essential component of an effective comprehensive family policy, along with income supports and family friendly policies that help parents to balance their work and family responsibilities.

And, as evidenced in many countries, public investment in building and sustaining a quality, regulated child care system provides multiple benefits as it:

- **nurtures children** - - “Neuroscience and epidemiological research provides evidence that early learning matters for long-term well-being and labour market success. [*A Taxing Time for Child Care Debates, Paul Kershaw, Ph.D., April 23, 2005, Vancouver Sun*]
- **supports families** - - the vast majority of parents, especially mothers of young children, are in the paid labour force and rely on non-parental care while they are employed and /or studying. According to a Statistics Canada report released in August 2006: In the past decade, the number of wives who are a family's primary breadwinners has risen steadily and, since 1967, the proportion has nearly tripled and by 2003, almost 29 per cent of the women were the primary breadwinners. More than three million children under the age of 12 currently have mothers in the paid labour force in Canada. [<http://www.statcan.ca:80/Daily/English/060823/d060823b.htm>]

Canada's productivity relies on working mothers with young children, who contribute \$53 billion annually to Canada's GDP [*Canadian Council on Social Development (CCSD)*].
- **strengthens the economy and builds communities** - - employed parents contribute to the economy as workers and as consumers, and employers and employees in regulated child care services contribute to the regional economy and to federal tax revenues. Labour shortages are a growing problem in Canada. But without regulated child care, parents, especially mothers – can't work.

Over a lifetime, a high-school graduate will earn an average of \$150,000 more than a dropout; a university graduate \$900,000 more than a high-school graduate and \$275,000 more than those with trade certificates. [*Our children deserve good teachers and good teaching: Bad teaching can easily blunt a child's natural appetite for learning Vancouver Sun, August 18, 2006, Daphne Bramham*]

You asked for our views about specific federal tax and/or program spending measures that should be implemented in the upcoming budget

We see worrying evidence that some Canadians and Members of Parliament have lost sight of the connection between the taxes we pay and the vital services we receive. We have learned in BC over the last several years, and are now experiencing federally that tax cuts mean service cuts/program spending cuts, increased user fees, and loss of federal funded social programs. All of which impact negatively on communities, particularly low and moderate income families, women and children.

We believe that Canadians will be much better served by investing the surplus into a range of public services that address the most important problems facing the country today.

We in the Coalition of Child Care Advocates of BC, think it makes sense to invest in a regulated child care system through the tax system because:

- Families are usually at their lowest earning power when their children are young. When they most need and will choose regulated child care, they are least likely to be able to afford it.
- Children's development is time sensitive and can't wait until their families can afford regulated quality care.
- The benefits of investing in regulated child care now outweigh the costs and will lead to future increased tax revenues.

Work/life conflicts cost Canadian organizations an estimated \$2.7 billion annually in time lost due to work absences [*Canadian Council on Social Development (CCSD)*].

- The earlier we invest in our children, the longer we all reap the benefits through economic contributions, a civil society and a healthier population. "*We 'invest in human capital' in order to increase our Gross Domestic Product (GDP). But the purpose of GDP, after all, is to make lives better now and for generations to come.*" [*Early Investments in Human Capital, August 9, 2006, EXCHANGE Every Day, USA*]

Improving productivity requires a skilled labour force. The evidence shows that high quality, regulated, affordable and accessible child care supports labour force attachment, skills-training and lifelong learning. Regulated child care also promotes the development of our young people and will contribute to a highly skilled labour force in the future.

The implementation of the federal “Universal Child Care Benefit program”

As you are well aware:

- The taxable benefit is as stated on the government web site “*a new form of direct financial assistance of \$100 per month per child under the age of six.*” While it is an allowance to individual parents, it is NOT supporting progress towards building an early learning and regulated child care system.
- In fact, it benefits higher income families with one ‘at home’ parent more than it helps lower income families who need and would choose regulated child care because both parents are at work, or are studying.
- Families with young children who qualify for the new universal benefit program can no longer collect the young child supplement paid under the Canada Child Tax Benefit Program, leaving those affected with a net gain of less than \$80 a month, not \$100.
- Families with children aged 6 – 12 with equally critical regulated child care needs receive \$0 through this new taxable allowance.

The web site information says it provides “*parents with more choice in child care*”, but in fact families across BC tell us they do not have the real choice of accessing a quality, community based and regulated child care space because:

- there are not enough quality licensed spaces to meet the needs of families in their communities
- the taxable \$100 allowance is a ‘drop in the bucket’ in terms of covering the real cost of quality, licensed, community based family or centre based child care.
- if and when parents are lucky enough to access some kind of arrangement for the care of their child, they often have to settle for the first arrangement that comes available, rather than being able to choose the quality, licensed community delivered child-care program that is their real choice and the best in their eyes as parents to meet their needs and the needs of their children.

You asked what specific federal tax and/or program spending measures should be implemented to ensure that our nation has the infrastructure required by citizens and businesses?

Countries like Canada, Britain and Sweden can no longer manage without the economic participation of women. [*Women fuel economic growth, The Montreal Gazette, 4 Jul 06, By: Janet Bagnall*]

To support optimum learning opportunities for young children, families, the labour force, employers and in turn the economy, the federal government must restore multi year funding to provinces and territories for building a quality, affordable and regulated child care system that is responsive to regional needs.

We continue to call on successive provincial and federal governments to:

- make a political commitment to build a publicly funded, universal and regulated child care system.
- develop and implement a child care plan based on adequate public policy AND resources and an action plan that moves us towards that vision.
- shift the burden of the cost of regulated child care from user fees to public funding. Move towards the short-term goal of reducing total parental fee contributions to no more than 20% of the overall cost of regulated care and providing 80% of total costs through public funding.

In closing, we know that it's what governments are doing AND saying that counts, NOT just what they say they are doing.

Investing in a quality pan Canadian system of regulated child care services for children from birth to 12 years of age that is community delivered will help give Canada an equal footing to those countries around the world that have long recognized the importance of investing in early childhood education and high quality child care.

The next federal budget should reflect these priorities!

Our representatives appreciate the opportunity to present our pre-budget submission on behalf of the members of the Coalition of Child Care Advocates of BC, and look forward to appearing before the Standing Committee on Finance in Vancouver, October 3, 2006.