

Proposed NEW Federal Child Care Allowance: “No Choice”!

What’s Happening Now?

Last year, BC signed an Early Learning and Child Care Agreement with the federal government, promising BC \$633 million over 5 years to improve child care services. This was an important step forward in providing BC families with the child care choices they desperately need.

Last October, using federal dollars, the first improvements to BC’s fragile child care system began:

- Improved child care subsidies
- Increased operating grants to child care centres
- Special services for families through the child care resource/referral programs
- Increased capital funding to build child care centres.

What’s Being Proposed?

Now the NEW federal government has a DIFFERENT plan.

- The Early Learning and Child Care Agreement will be *cancelled* as of 2007.
- Families will receive a *taxable* allowance of \$100 a month for each child under 6.

How Will This Affect Families?

At first glance, this new approach seems to put more money in the hands of parents to make their own child care choices ...

BUT

a loss of federal dollars for child care services will set off:

- Severe cuts to child care services and the child care subsidy program
- Increased child care fees for all parents
- A loss of child care spaces
- Reduced child care choices for families

Also the proposed new federal allowance is TAXABLE, thus *negatively* affecting many families’ eligibility for:

- child care subsidies
- the child tax benefit
- the GST tax refund
- employment insurance during maternity leave
- recreation subsidy/access programs
- subsidized housing

In fact for those families that could most use the extra money, *the true value of the proposed allowance could be as little as \$1 a day per child aged birth to 6. Meantime, parents with school-aged children will receive nothing!!!*

What Should Be Done?

No one disagrees that extra dollars in the pockets of families would be helpful, but the federal allowance as proposed, does NOT increase child care choices.

To Truly Provide Choice ...

The federal government must:

1. maintain current federal/provincial agreements to build a flexible, quality, affordable early childhood system that serves all families with a range of community programs including:
 - preschools
 - daycare centres
 - family child care
 - child-minding
 - emergency care
 - parent-child activities
 - family resource programs
2. increase the existing child tax benefit for low income families

This two-prong solution will give “*real choices*” to **ALL** children and families – in their homes and in their communities.

For further information and to send a message to the federal government, please go online to www.buildchildcare.ca
Phone or e-mail your local Member of Parliament.