

# Coalition of Child Care Advocates of BC

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

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## **The Coalition Responds to *Child Development: Strengthening the Infant Development/Child Development Continuum -A Discussion Paper* September 2003**

### **Introduction**

On August 1, 2003 the Ministry for Children and Family Development (MCFD) quietly issued a Discussion Paper outlining a proposal to replace the current Supported Child Care (SCC) Program with a new program, the Child Development Program (CDP). In the Ministry's own words, "The paper describes the proposed direction for a program that will be more focused on child development and family support and that will promote social inclusion for children with special needs and their families" (p.2).

This is a fundamental shift from SCC and the Special Needs Daycare Program that preceded it. Child care was, and is, the foundation of these programs which are intended to ensure that children with special needs have the opportunity to participate in preschool and child care settings – just like other children. Yet, the Discussion Paper provides no analysis of the impact of the proposed 'new direction' on children's access to child care services, nor, on the child care services and highly qualified staff who now facilitate inclusion. Regrettably, this is not a surprise, as the child care sector is well aware that impact analysis, particularly related to child care, is not a practice of the current provincial government.

Further, the Ministry's website states that written input on the Discussion Paper is welcome up to August 31, 2003. While we now understand that the consultation period has been extended, as of August 31, the timelines posted on the MCFD website remain unchanged.

Given the haphazard and ad hoc approach to community consultation and the lack of an adequate impact analysis of the proposed changes, the Coalition is skeptical about the degree to which input to this Discussion Paper will be heeded. Currently, the only measuring stick appears to be whether a proposed policy change will reduce public expenditures. Never-the-less, we strongly and publicly register our growing alarm about the implications of the proposed changes for children and families across BC and encourage others in the child care and children's service community to do likewise.

### **Our Starting Place**

The Coalition is unequivocally committed to social inclusion for ALL children. We believe that every child has the right to be welcomed and included in the full range of community activities that promote their growth and development and support their families in their parenting role. This includes community centres, libraries, recreation and sports programs, playgrounds, family places – just to name a few. In order to achieve social inclusion, such community programs need to be affordable and accessible to all and need to have adequate resources to support the participation of children with disabilities. However, as important as inclusion in these settings is, **it is not, nor cannot be,** a replacement for quality, inclusive, child care.

We believe that for young children, access to child care is a cornerstone of social inclusion for two related reasons. First, the vast majority of parents with young children are in the paid labour force. Their children require and participate in non-parental care. Secondly, the quality of the non-parental care that children receive directly impacts their development. Quality care promotes healthy development; poor quality care can do harm. Research indicates that characteristics associated with quality care are more likely to be found in licensed early childhood settings such as child care centers and preschools where staff are trained and paid decently, staff/child ratios are in place and developmentally appropriate programs are offered.

Successful inclusion in child care depends on two factors: an adequately funded, high quality child care system to ensure that the services families and children need are available and affordable and additional dedicated resources to ensure that children with extra support needs can be fully included in that system. While we appreciate the need to address the many barriers faced by children with disabilities in the community at large, because inclusion is good for all children, the goal of SCC or any program that replaces it must be to ensure that inclusion is a supported and essential feature of a quality child care system in BC.

If MCFD's proposed refocusing of SCC in fact led to improved opportunities for social inclusion and increased access to quality, inclusive child care for all – we would be supportive of the new direction. Regrettably, it does neither. Here's why:

### **There is no clear rationale for the proposed changes:**

While the Discussion Paper claims that government “looks to evidence-based research for direction on how to best focus support to children and families” (p. 4), it provides no such evidence to support the proposed changes. The Paper does not clearly identify the ‘problems’ in the current program that need to be fixed nor does it link proposed changes to existing problems.

However, concrete evidence that government could have used to improve the effectiveness of SCC has been ignored. Government's own 2002 survey of 54 SCC agencies across BC indicated that over half of these agencies had wait lists. Further, the survey reported that of the 1900 SCC families who received the basic child care subsidy, 35% were negatively impacted by recent provincial cuts to the subsidy program. Thirteen percent of these families reduced the amount of time their children spent in child care and 10% removed their children from child care completely. The survey notes that “the families who will be affected by the refocus (of SCC) are the same families who have been impacted by other recent government changes” (p. 26).

Government also could have considered the Fall 2002 Report “Where Are The Children?” which provides the results of a survey of over 700 child care providers across BC and clearly demonstrates the negative impact of provincial child care funding cuts and policy changes on participation rates of children from low and moderate income families in regulated child care and on the viability of the licensed child care system as a whole.

Government could also have considered data from the 2001 Participation and Activity Limitation Survey (PALS) conducted by Statistics Canada which reports that “Parents of 84,000 children, slightly over one-half (54%) of those with disabilities, reported that their child's condition **had an impact on their family's employment situation**. Examples of impact on employment include situations where family members had to work fewer hours or change their work hours to a different time of day or night in order to take care of the child” (*emphasis ours*).

An objective analysis of this evidence would have led to a very different set of proposed changes – a focus on meeting the child care needs of families with children with special needs,

additional resources to eliminate SCC wait lists, and a reversal of government's detrimental cuts to the child care subsidy and other child care related funding programs.

Yet, the proposed changes in the Discussion Paper are silent on the implication of this evidence and seemingly deny the reality of thousands of families with children with disabilities for whom child care is the preferred setting for social inclusion because it is a necessary support to parental participation in work or study and because research shows that it is good for children.

### **The changes are not supported by a comprehensive budgetary analysis:**

Given the existing waitlist for SCC services, if government is serious about enhancing social inclusion for young children, they would provide SCC agencies with the additional resources required to support children's participation in both child care and a wider range of community settings. However, the Discussion Paper lacks both a detailed analysis of the current budgetary impacts of the proposed changes as well as a comprehensive analysis of the actual costs of social inclusion. As a result, the outcome statement that "families will have more direct access to inclusive supports in their communities" (p.17) lacks credibility.

Further, while MCFD publications indicate that there will be no budget reductions to SCC, our analysis suggests otherwise. In 2001, administrative records from MCFD indicate that the total allocation for SCC was \$39,490,000 (SCC Program - \$36,790,000; SCC Support Payment - \$2,700,000). In recent meetings, MCFD officials have reported that the current allocation is \$35.4 million. This suggests that the allocation has been reduced by just over \$4 million or 11% in the past two years and there is no doubt that SCC or its replacement program will be further impacted by the planned 11% overall budget reductions in MCFD.

In addition to these reductions, provincial child care budget cuts to date have had a profound negative impact on many low and moderate income families, including those with special needs children. These impacts have been affirmed in studies by a range of groups including the Child Care Advocacy Forum, the City of Vancouver, and the Social Planning and Research Council just to name a few. Given these impacts, and government's stated commitment to accountability and transparency, the community should be provided with a budgetary analysis that clearly demonstrates how all children, including those from low and moderate income families, will benefit from the proposed changes to SCC.

Further, we now understand that the province could have used the \$6 million that remains unspent from its first year federal transfer payment under the Early Childhood Development Agreement to strengthen SCC. However, those funds have been 'carried forward' and government has chosen instead to allocate \$3.3 million a year in each of the next five years from new federal transfer funds that are supposed to go to 'regulated' child care to the proposed child development program that is no longer about child care. Either way, the province is using federal money to offset some of the most troubling impacts of provincial cuts, rather than using new federal funds to improve the regulated child care system.

In place of a budgetary analysis, the Discussion Paper parrots the tired refrain that communities and families will be able to stretch a shrinking budget further and highlights small administrative efficiencies as the way to do this. We challenge MCFD to provide credible evidence that any program for children and families has been able to deliver more and better services with reduced resources. It is our experience that with less, communities can only do less.

### **The changes reflect a false separation between child care and child development:**

Many of the problems with the proposed program changes stem from this government's false and dangerous separation between child development and child care. This problem is

institutionalized in the division of ministerial responsibilities between MCFD, which is responsible for early childhood development and the Ministry of Community, Aboriginal and Women's Services (MCAWS), which is responsible for child care. This separation now drives a number of policy decisions that appear to have more to do with ministerial jurisdiction than with the needs of children.

Not surprisingly, the proposed changes to SCC reflect the incorrect assumption that participation in child care is only related to parental labour force attachment while participation in programs like swimming lessons or library programs is about child development. This is clearly reflected in the first Principle for the new CDP in which MCFD recognizes that “**working/ studying parents** of children with special needs require **safe, stable and inclusive child care settings** for their children” (p. 8, *emphasis ours*). Based on this principle, the Discussion Paper suggests that the new CDP will only “be a partner in the range of child care supports for parents who are working or going to school” (p. 4). Shockingly, the **quality of care** children receive seems to be of no concern. Nor is there any acknowledgement of the role that quality child care and trained early childhood educators play in both promoting child development, and in supporting families in their parenting role, both stated goals of the new CDP.

This omission is mirrored in the terms of reference for the two advisory bodies that will guide the transition process. While both the Refocus Working Group and the related Resource Group are mandated to identify the potential impact of the proposed changes on a range of stakeholders – the child care sector is glaringly absent from the list of considerations.

### **The changes will further reduce access to quality, inclusive child care:**

Based on the false separation between early childhood development and child care, the Discussion Paper indicates that MCFD (the Ministry that funds SCC and will fund the new CDP) will focus on supporting ‘child development’ while responsibility for providing the ‘tools’ to help parents obtain child care is up to MCAWS.

As a result, responsibility for providing the monthly support payment of \$107 that MCFD currently provides to low income families using SCC to help with child care costs, is being moved to MCAWS. It will be renamed the Special Needs Supplement and, while this is not discussed in the Paper, eligibility will be further restricted. We understand that only those families who are eligible for MCAWS’ basic Child Care Subsidy Program and have a child with special needs will be eligible for the additional \$107.<sup>1</sup> (For details, see [www.mcaaws.gov.bc.ca/childcare/ChildCar/special\\_needs\\_FAQ.htm](http://www.mcaaws.gov.bc.ca/childcare/ChildCar/special_needs_FAQ.htm) )

These changes will further reduce access to child care for low and moderate income families in two ways:

1. As of April 1, 2003 families had to earn \$185 less a month to be eligible for a full child care subsidy. As noted above, many SCC families have already been negatively affected by this change. However, to date, their \$107 subsidy from MCFD has not been affected by this reduced income threshold. In the future, we understand that families who are over the reduced eligibility level for the child care subsidy will also lose their Special Needs Supplement.
2. As of April 1, 2002 only parents who are at work, school or who are engaged in an approved job search are eligible for a Child Care Subsidy. Previously, low income

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<sup>1</sup> MCFD has since informed families currently receiving the \$107 that the “may be eligible for an extension to March 31, 2004” presumably whether or not they qualify for the basic child care subsidy. This extension only applies to existing recipients, not to new users of the SCC/CDP services.

families, with a parent at home, were able to access a subsidy to help cover the cost of preschool for their children. In the future, low or moderate income families with children with disabilities not only lose their child care subsidy, they will lose their Special Needs Supplement as well.

Further, given the new CDP priority on children under the age of six, we can expect reduced supports for the inclusion of school-aged children in licensed child care programs. Families with school-aged children with disabilities will be increasingly challenged to find and afford quality, stable before-and-after school programs for their children.

As a result of these factors, it can be fully anticipated that participation rates of children with disabilities in full and part time regulated child care settings will decline.

### **The changes will further entrench a two-tiered system:**

Decreased access to licensed child care will not affect all children and families equally. Children from low and moderate income families will suffer the most – an increasingly common situation in the two-tiered child care system that is developing in BC.

As a result of cuts to the child care subsidy program, the elimination of public funding for affordable school-aged child care, and increases in child care fees to make up for lost provincial contributions to early childhood educators' wages, a significant number of low and moderate income families have had no choice but to withdraw their children from licensed care.

Many programs that serve these families have vacancies and some have been forced to close or reduce levels of service. Yet, programs that provide care for more affluent communities, where families can manage to pay full fees, are at their capacity with long wait lists. This outcome has been highlighted in a recent report produced by the City of Vancouver ("Protecting the Availability of Child Care Spaces and Programs," July 4, 2003).

This situation has been exacerbated by the rules of the new Child Care Operating Funding (CCOF) program, introduced in April 2003. Under CCOF, the amount of money that licensed family and group child care programs receive is based on their actual enrolment. As a result, programs that are fully enrolled, usually because they serve families who can afford to pay, are receiving the most money, while programs with vacancies, because the families they serve can't afford to enroll, are receiving less.

The proposed changes to SCC further entrench this trend. This is most evident in the Discussion Paper's explanation of an alternate funding option through which families may directly receive, and/or, manage the funds for their child's support. While there is no explanation as to how levels of funding will be determined, based on other individualized funding models and the 'range of service' model used in SCC, we assume that families will receive a set amount of service or funds based on the age and level of disability of their child.

While the Paper predicts that families of school-aged children are most likely to opt for the alternate funding option, it adds in a footnote that parents choosing this option "will be encouraged to ensure that their child attend (*sic*) preschool" (p. 14).

This means that a parent, whether working or not, who can afford to pay full preschool fees will be able to access additional funding from CDP to support their child's participation in a preschool of their choice. On the other hand, a low-income parent who is at home with their children (not in the labour force and therefore ineligible for the basic child care subsidy and, as a result the \$107) will not receive any provincial support to help them pay preschool fees. While

they might be eligible for the same level of service or direct funding from CDP as the parent above, their child will effectively be denied access to preschool.

Given that under the proposed CDP 'Priorities for Service,' family situation and need of support is 3<sup>rd</sup> on the list – there is little likelihood that a CDP agency will be able to redress this situation.

This is yet one more concrete example of how current government policy leads to quality care for those who can afford it, and substandard or no care for the rest. Again, the proposed program changes in fact undermine the goal of social inclusion.

## **Recommendations**

While the Coalition fully supports the purported objectives of increased social inclusion, seamless services, administrative efficiencies and increased flexibility outlined in the Discussion Paper, our analysis makes it clear that these will not result from the proposed changes.

In order to achieve these objectives, we recommend that government:

1. Immediately restore provincial funding for licensed and regulated child care and children with special needs to 2001 levels.
2. Develop and implement a five year plan for a high quality, inclusive, comprehensive child care system that meets the needs of all BC children, including those with disabilities.
3. As part of this plan, provide SCC agencies across BC with sufficient resources to support the inclusion of children in a full range of regulated child care settings, and in a range of other community activities as chosen by their families.
4. End the dangerous separation between child care and early childhood development by ensuring that policy and program decisions are driven by a holistic approach to children and family needs.