

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.

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

STILL DEFENDING DAYCARE!

March 2006

Leading up to the January 2006 federal election, the Coalition of Child Care Advocates of BC called on our members, partners and supporters to **DEFEND DAYCARE** against the Conservatives 'promise' to:

- Cancel federal 'child care' transfer payments to provinces.
- Replace funding for child care with a \$100 monthly taxable family allowance for children under 6.
- Provide tax credits to businesses to create child care spaces.

After the election, child care is still in the headlines and we still need to **DEFEND DAYCARE**. Here's why.

The Conservative Plan Won't Work!

Since taking office, the Conservative minority government says they will:

- Introduce a taxable family allowance of \$100 a month for every child under 6 on July 1, 2006.

Government calls this a Child Care Allowance but \$100 a month doesn't come close to covering the cost of quality child care. For low-income families with both parents in the workforce, the after tax benefit could be as little as \$388 a year.¹ And, the allowance does nothing to create or sustain new spaces.

The so-called Child Care Allowance increases families' taxable income. As a result, it may reduce their other income-tested benefits such as the federal Child Tax Benefit or the GST Tax Credits. In BC, it could reduce the amount of child care subsidy a family receives and will likely be clawed back from Income Assistance recipients.

- Cancel existing 5 year federal-provincial agreements on child care as of March 31, 2007.

The federal government has already sent letters to the provinces giving notice that they will cancel the agreements next year. As a result, BC will lose close to \$400 million in federal transfer payments intended for child care. Recent increases to child care subsidies to parents, child care operating funds to programs, funding for child care resource and referral programs and capital grants were ALL funded with Year 1 federal funding under the very agreement that is now at stake. Unless the province agrees to pick up the tab – expect these to be gone.

- Introduce 'tax credits' for employers to create child care spaces as of April 1, 2007.

One of the least talked about parts of the Conservative program, this initiative could open Canada up to big box chain child care while doing nothing to address the on-going operating costs of quality child care.

¹ Battle, Ken. The Choice in Child Care Allowance: What You See is Not What You Get. Caledon Institute for Social Policy, January 2006.

BC has no plan!

From 2002-2005, BC cut \$40 million from its own annual spending on child care. Then, BC signed a 5 year Agreement on Early Learning and Child Care with the federal government. Under this Agreement, BC was to receive a total \$633 million from the federal government for regulated child care. \$92 million was transferred to BC for the first year. **All new child care spending comes from these federal funds.**

In exchange for federal funds for child care, BC made a commitment to:

- Consult with the community about how best to support regulated child care
- Table a BC Child Care Action Plan on Jan. 31, 2006

But, since the federal election:

- Premier Campbell has not made one public statement calling on the federal government to honour their Agreement with BC
- Jan. 31 has come and gone without a BC Child Care Action Plan
- The BC Throne Speech was silent on child care
- The BC 2006/07 Budget, while claiming to be a Children's Budget, did not restore one cent of provincial cuts to child care.

We have a plan that can work!!

The stakes are high and all could be lost. The majority of Canadians who voted FOR public investment in a child care system must fight back! Across the country, momentum is building to support the progress we achieved on child care.

Over the coming months, the Coalition of Child Care Advocates will work to:

- **Save the Federal-Provincial Agreements on Child Care.**
- **Pressure BC to defend the Child Care Agreement.**
- **Demand that BC restore provincial cuts to child care.**
- **Hold BC accountable for honouring its child care commitments - with or without federal funds.**
- **Advance 'Our Child Care Plan' (http://www.cccabc.bc.ca/res/pdf/cccabcc_cplan.pdf) for building the child care system BC needs.**

Please join us by:

1. Supporting the Canada-wide **CODE BLUE FOR CHILD CARE** Campaign. Go to http://www.buildchildcare.ca/BE_petition.php/honourthem for CODE BLUE actions and updates.
2. Joining the Coalition of Child Care Advocates at <http://www.cccabc.bc.ca/about/join.html>
3. Staying tuned to our website at www.cccabc.bc.ca for more information and action.