

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

## **Submission to the BC Select Standing Committee on Finance and Government Services**

**September 2011**

### **Child Care in British Columbia**

In British Columbia, as in the rest of Canada, access to child care is a right. However, that right is not yet being honoured and subsequently we have a crisis in our province that impacts children, women, families, workers and our economy. Commercial child care chains, which are on the rise in BC, are adding to the problem. The solution to the crisis, and a significant benefit to our economy, is the Plan for a Public System of Integrated Early Care and Learning.

### **Child Care is a Right**

Canada has signed significant international treaties, the Convention on the Rights of the Child and related General Comment #7, the Convention to Eliminate Discrimination Against Women and the Covenant on Economic, Social and Cultural Rights guaranteeing the rights of women and children. But after thirty years of advocacy led by grassroots women's organization, Canada still hasn't fulfilled its commitment to invest in a system of quality child care services. Despite research from countless academic, economic and healthy outcomes studies in support of a national child care system women's rights to participate in work, education and other community endeavours has been challenging because of a lack of affordable child care services. While other countries move forward on this important issue, the government of Canada, and especially the government of BC, continue to underfund child care services and have not delivered the child care plans promised.

### **BC Child Care is in Crisis**

Families today are experiencing long waiting lists for child care services (especially for care for infants and toddlers) and high fees that are not affordable for many. Furthermore, the wages of college educated staff are terribly low, making recruitment and retention of qualified early childhood educators a serious issue in the sector.

Child care fees for parents are high because unlike libraries, parks and schools that receive public funds to cover most of their operating costs, child care in BC is primarily a user pay service. Child care fees are families' second highest expense – after housing. Child care can cost families more than post-secondary education with fees as high as \$1600 a month for one child.<sup>1</sup>

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<sup>1</sup> <http://www.wstcoast.org/pdf/feesurvey/2010feesurveyGDC.pdf>

Data from the Ministry of Children and Family Development for programs receiving Child Care Operating Funds indicates that in 2010/11 median monthly child care fees were as follows:<sup>2</sup>

<b>2010</b>	<b>Provincial Median</b>	<b>Vancouver Coastal Median</b>
Group care		
Infants	\$900	\$1033
Toddlers	\$854	\$985
2.5 – 5 yrs.	\$665	\$705
Out of School	\$300	\$315
Family child care		
Infants	\$750	\$850
Toddlers	\$700	\$800
3-5 yrs	\$700	\$750
Out of School	\$400	\$400

The BC government currently budgets only about \$300 million a year for child care. Of this, about \$80 million comes to BC through federal transfer payments.

- In 2008 there were 567,000 children under the age of 12 living in British Columbia;
- 358,700 of those children’s mothers were in the paid labour force.
- But in 2011, there were only approx. 97,000 licensed child care spaces.

The average wage of an Early Childhood Educator in BC is just \$16.46 an hour<sup>3</sup>. This low wage is clearly not commensurate with the level of responsibility required of the profession.

#### **The False Solution: Commercial Child Care**

According to UNICEF and the Organization for Economic Cooperation and Development (OECD), child care in Canada is the weakest in the developed world and a poster child for how the market approach fails in the provision of a public good.<sup>4</sup>

From an international perspective, the worst policy approaches to child care are those where public funds are delivered to services on behalf of parents through vouchers or subsidy payments for which there is no accountability. The largest proportion of the BC child care budget goes to such subsidies. When transferred to a commercial provider, funds delivered through vouchers or subsidies can go directly into profits.

The strongest child care systems are those that directly fund public child care services to provide adequate spaces, decent wages, higher quality and lower parent fees.

In BC, due to the lack of public policy and adequate operating funding, child care is market based and provided on a fee for service basis. To date – most child care in BC has been delivered by non-profit

<sup>2</sup> Received by email from MCFD staff – Aug. 26, 2011

<sup>3</sup> <http://www.bcstats.gov.bc.ca/data/lss/labour/wage/viewdata.aspx>

<sup>4</sup> <http://www.unicef.ca/portal/SmartDefault.aspx?at=2250> and <http://www.oecd.org/dataoecd/41/36/33852192.pdf>

societies, small owner-operators, or family child care providers. However, big-box commercial child care chains are quickly trying to take hold in BC.<sup>5</sup>

Based on examples from other jurisdictions, there are many concerns related to commercial child care chains which highlight that corporate responsibility to generate profits can be put ahead of quality for children and families or accountability to the general public and tax payers.

### **The Real Solution: The Community Plan for a Public System of Integrated Early Care and Learning.**

Today's reality in British Columbia is that families with young children need access to quality child care services. It is well known that:

- Quality child care IS early learning.
- Current policies and approaches do not meet the need of BC's children and families.
- Public spending on the early years is a wise social and economic investment.
- Quality matters.

In the spring of 2011, the Coalition of Child Care Advocates and the Early Childhood Educators of BC released a *Community Plan for a Public System of Integrated Early Care and Learning*. The Community Plan offers a concrete, innovative 'made in BC' solution to the child care crisis facing families with young children.

As noted from the number of on-line endorsements the Plan is resonating with people across the province, both in and out of the early childhood sector, as real and achievable.<sup>6</sup> Highlights of the exciting, innovative and ambitious Plan call for:

1. New Early Care and Learning Legislation;
2. Moving child care from the Ministry of Child & Family Development to the Ministry of Education;
3. A new role for Boards of Education with mandate and funding;
4. The development of Early Years Centre (EYC) Networks building from licensed child care services that currently exist;
5. Enhancing Kindergarten and grade one with Early Childhood Educator's in classrooms;
6. A workforce strategy to raise the level of education of those working with young children

If and when government puts the Plan in place, child care will cost families **\$10 a day** for a full-time program, \$7 a day for part-time, and will be free for families who have an annual income of under \$40,000. Every young child will have the right to access quality early care and learning programs.

With new investments from the province, locally elected school boards will provide early care and learning programs in their communities with the operating funds they need to deliver quality programs. Early childhood educators will receive the respect and remuneration they deserve.

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<sup>5</sup> <http://www.edleun.com/index.asp>

<sup>6</sup> <http://www.cccabc.bc.ca/plan/endorse-the-plan/>

## **The added benefit: What's Good for Children and Families is also Good for the Economy**

While, in the past, governments have too often seen child care as a 'cost' the latest economic research demonstrates that investments in child care are an effective way to stimulate the economy. In fact a child care system can be self-financing.

For example we see that after 12 years in Quebec their child care system is paying for itself through mothers' annual income taxes as well as consumption taxes. Pierre Fortin, an economics professor at the University of Quebec has proven, for every dollar Quebec invests in its child care system, it recoups \$1.05 while Ottawa receives a 44-cent windfall.

By 2008 in Quebec 3.8 per-cent more women had entered the workforce as a result of expanded child care options and the ripple effect of their employment pumped an additional \$5.2 billion into the Quebec economy boosting the province's Gross Domestic Product by 1.7 per-cent.<sup>7</sup>

In British Columbia the Human Early Learning Partnership (HELP) at UBC in their 2009 report<sup>8</sup> demonstrated that only 71% of BC children arrive at kindergarten meeting all the developmental benchmarks they need to thrive both now and in the future: 30% are developmentally vulnerable. This means that nearly one in three B.C. kindergarten children are at risk of failing to develop into the healthy, well-educated, innovative and productively-employed adults we need to secure our long-term economic sustainability. The government of B.C. has committed to lowering the provincial rate of early vulnerability to 15% by fiscal year 2015.

HELP indicates that "a rate of child vulnerability above 10% is biologically unnecessary. At three times what it could be, the current vulnerability rate signals that BC now tolerates an unnecessary brain drain. Economic analyses reveal this depletion will cause BC to forgo 20% in GDP growth over the next 60 years. The economic value of this loss is equivalent to investing \$401.5 billion today at a rate of 3.5% interest, even after paying for the social investment required to reduce vulnerability."<sup>8</sup>

### **Recommendations**

The child care crisis in BC will be resolved, and our economy improved, when decision-makers and those elected to represent us move forward with the *Community Plan for a Public System of Integrated Early Care and Learning*. Therefore we recommend that in 2012 the provincial government:

1. Endorse the Plan's vision and commit to immediate action
2. Pass the Early Care and Learning Act in the Legislature
3. Commit to bold targets and timelines within a ten year strategy
4. Develop a stable 5 year budget with new funds to fully implement the Plan

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<sup>7</sup> [http://www.oise.utoronto.ca/atkinson/UserFiles/File/EarlyLearningEconomicForum\\_Fortin.pdf](http://www.oise.utoronto.ca/atkinson/UserFiles/File/EarlyLearningEconomicForum_Fortin.pdf)

<sup>8</sup> <http://www.earlylearning.ubc.ca/wp-uploads/web.help.ubc.ca/2010/01/15by15-Executive-Summary.pdf>