

## **Topic #2 - The Child Care Picture of Today**

This topic area includes an introduction to:

- How is child care funded?
- How and where is child care provided?
- What are the public policy issues?
- What are the human resources issues?

## 1. How is child care funded?

In Canada child care is paid for via a market, user pay, approach in all the provinces and territories with the exception of Québec (in 1997 Québec implemented its comprehensive family policy which included a publicly funded universal child care system).

[ To read more about the first few years see *Where There's a Will, There's a Way* (J. Tougas), available on the Parent Voices web site under Advocacy Tools: [www.childcareadvocacy.ca/parent\\_voices/downloads/QUE\\_CHILD CARE.pdf](http://www.childcareadvocacy.ca/parent_voices/downloads/QUE_CHILD CARE.pdf) and for current information, see [www.childcareadvocacy.ca](http://www.childcareadvocacy.ca) as the newly elected government in Québec is proposing changes. ]

When child care is provided to families who pay a fee for the services, child care providers rely on parent fees, any supplementary dollars the province/ territory may provide and not for profit providers often rely on fundraising to supplement the revenue and meet basic operating costs. Any parent involved on a child care board of directors knows that with the reliance on current user fees, a child care budget is at best a "bare bones budget"; wages for child care workers typically do not reflect the training, job responsibilities and experiences of long term child care employees; and the fees are unaffordable for many, many families.

In 1998, a pan-Canadian study found that while the exact percentages varied from area to area, overall:

- ➔ 49% of average centre revenue came from parent fees
- ➔ 17.6% of average centre revenue came from fee subsidies and
- ➔ 30.5 % came from other provincial government funding.

In *Early Childhood Education and Care in Canada 2001* (Childcare Resource and Research Unit, February 2003), we learn that in 2001:

- ✓ Canada's provincial/territorial expenditures on regulated child care totaled \$1,889,860,170 and of this total, 58% was spent by Québec.
- ✓ while Québec's spending on regulated child care increased dramatically over the past decade, **total spending** by the other provinces/territories in the rest of Canada dropped about \$70,000,000.
- ✓ there was considerable variation in provincial/territorial approaches to spending for child care over the decade, eg. two provinces reduced their spending (Ontario and Alberta).
- ✓ annual government **spending per child** ranged from a low of \$91 (in Nova Scotia) to \$980 (in Québec) in 2001.

### ***Suggested Activity:***

Go to [www.childcarecanada.org/ECECC2001/tables\\_big/TABLE12.pdf](http://www.childcarecanada.org/ECECC2001/tables_big/TABLE12.pdf) and examine Table 12, Total provincial allocation for each regulated space by province/territory – 2001.

### What programs are directly funded by the federal government?

- ✓ Licensed child care programs targeted to Aboriginal children (depending upon the funding program it may be targeted to children living on or off reserve).
- ✓ Licensed child care programs for military families e.g., Military Family Resource Centres.
- ✓ Childminding while newcomer parents access language instruction.
- ✓ Employment Insurance Benefits for Maternity/Parental Leave for eligible employees.

### The Social Union Framework Agreement (SUFA)

In 1999 the Prime Minister and Premiers, with the exception of Québec, signed the Social Union Framework Agreement (SUFA). The goal of SUFA is to make social programs more effective and efficient. It promises people

“wherever they live or move in Canada, access to essential social programs and services of reasonably comparable quality”. (e.g., health, children’s services, post secondary education, training, social services, social assistance and aboriginal services.)

In 2000, the federal-provincial/territorial governments announced the signing of the first new social program in Canada signed under the SUFA framework, the **Early Childhood Development Agreement** and the **Early Childhood Development Initiative (ECDI)**. The ECDI promised:

- Federal-provincial/territorial governments would work together to improve and expand early childhood programs and services across the country.
- 2.2 billion federal dollars over five years, to build services and make them widely available.
- Provincial/territorial government accountability and reporting on new activities and expenditures, and on the well-being of young children.

The federal-provincial/territorial governments negotiated an early childhood policy framework for the ECDI that included four key areas:

- promoting healthy pregnancy, birth and infancy;
- parenting and family supports;
- strengthening early childhood development and care; and
- strengthening community supports.

## What do we now know about the ECDI?

There are significant weaknesses in this agreement:

- There is no consistent federal-provincial/territorial agreement regarding what an early childhood system includes – there is flexibility for the province/territory to choose whether ECDI funds **are** or **are not** spent on improving regulated child care.
- The federal funding promise is limited to five years.
- The reporting requirements are vague and the existing provincial/territorial reports do not ensure public accountability. Tracking how the money is spent is proving to be difficult in some regions.

## February 18, 2003 – child care spending announced in the federal budget

The federal government announced a new federal-provincial/territorial agreement which would provide new federal dollars for “**early learning and regulated child care**” (for children from birth to six years of age).

In the Budget Speech, the Finance Minister stated,

“... the Government of Canada has been working with its provincial and territorial partners to develop a strategy to improve access to affordable, quality regulated early learning and child care services for young Canadian children and their parents to:

- ✓ increase the number of child care and preschool spaces;
- ✓ reduce the cost of child care and preschool services for low- and modest-income families; and
- ✓ improve the quality of child care and preschool services.”

In March 2003, the **Multilateral Framework on Early Learning and Child Care** was signed. It lays out the framework for each province and territory. For details see the CCAAC website at [www.childcareadvocacy.ca](http://www.childcareadvocacy.ca) [ *What's New* → *March 13, 2003* → *Response to the Multilateral Framework on Early Learning and Child Care* ].

## Is this a step forward?

Some provincial/territorial governments (e.g. Saskatchewan, Yukon and Manitoba) have committed to spending these new dollars on regulated child care. But not all provinces and territories have promised to spend it on stabilizing existing regulated care, increasing regulated spaces or improving affordability for families.

See the Regional News at [www.childcareadvocacy.ca](http://www.childcareadvocacy.ca) under **Advocacy in Action** for details of the regional plans for spending.

## 2. How and where is child care provided?

THE REALITY: While the cost and availability of care varies from province/territory to province/territory, the majority of Canadian families face a similar challenge – a patchwork of child care programs/services, and a lack of consistent access to quality, regulated and affordable child care.

Access is dependent upon:

- a child and his/her family's needs;
- where the family lives and their socio economic status; and
- the types of care and number of child care spaces available and accessible in a community.

Families that are able to access regulated care are likely either to access part- or full-time care in a child care setting such as a:

- licensed family daycare/home,
- group care for infants to 5 year olds,
- nursery/pre school, or
- school age child care program.

The physical setting for a child care facility will vary according to the provincial/territorial licensing requirements and the types of child care that are available and included in the provincial/territorial licensing regulation.

Child care is typically provided in:

- a space rented from a faith organization or a community facility that houses other community based programs;
- a school;
- a commercial space;
- a purpose built child care facility in a community neighbourhood or public institution (e.g., college, university), near a work-site convenient to a large employee group, or in a multi service building (e.g., community centre, neighbourhood/settlement house);
- a caregiver's home; or
- the child's own home.

The 'facility' may be in or close to the community where the family lives or near where a parent works/goes to school or be quite a distance away. Without a child care system, most communities have developed some child care programs, but in an ad hoc way. A continuum of child care services and a range of child care programs are not always available or sustainable even though they would meet the varied needs of families and children.

### **3. What are the child care public policy issues?**

When we talk about public policy, we are referring to government policies, leadership, and intergovernmental agreements and responsibilities that affect the well-being of Canadians. While in many communities we have some examples of excellent child care facilities and programs, Canada lacks public policy that entitles children to access quality child care as it does for education, health care and other publicly funded services.

#### **Moving from the patchwork to a child care system**

A few 'descriptive characteristics' that paint the current picture of today's child care complexities:

- Programs and services are developed in an ad hoc manner and overall remain fragile, fragmented and under resourced.
- In some communities there are some excellent child care programs but they may only be accessible and affordable for a few families.
- Gains/progress and improvements to the availability, accessibility and affordability are vulnerable to changing government priorities – gains can suddenly become losses as legislation changes and government priorities shift.

Intergovernmental agreements and policies are required to move us from today's patchwork to a publicly funded child care system built on several key principles:

- ➔ universality,
- ➔ high quality and licensing/regulation, and
- ➔ comprehensiveness.

To build a child care system, we need intergovernmental commitment, co-operation, and sustained funding to:

- ➔ stabilize the quality licensed child care that exists;
- ➔ build the infrastructure that will plan, coordinate and create new quality spaces that are regionally responsive and reflect a comprehensive range of services capable of matching community needs;
- ➔ address the need for more trained and qualified staff and other human resources issues; and
- ➔ monitor progress and develop firm accountability requirements.

Currently, each municipality and province/territory may determine what level of responsibility they take for:

- setting minimum licensing standards and monitoring compliance with the standards;
- funding and setting eligibility for subsidy to low income families;
- establishing educational and training requirements and adequately funding training for child care workers;
- providing capital grants/subsidies for building/renovating and maintaining facilities; and
- providing adequate operating funding to address wages and working conditions, affordability etc.

### **Auspice:**

Auspice is a critical component of any child care public policy discussion. Auspice refers to the financial and administrative operating structures and the goals of the child care providers. Typically, it is provided either as:

- a **business**, or
- a **community service**.

There are fundamental differences between the ways that a business providing child care operates and the ways that a not for profit organization providing child care as a community service operates.

The ultimate goal of a **not for profit organization** is to provide child care for the “*public good*”, for the benefit of children, families and communities and while the priority is to operate with effective financial management, it is not to ‘make a financial gain’ through the ‘sale’ of its services.

In contrast, a **business** is set up to make a *profit and financial gain for its owners*. And the research tells us that auspice does impact on the provision of child care, particularly in terms of over all program quality, staff wages and working conditions for employees.

**For more discussion see *The Issue of Auspice by the CCAAC* at [www.childcareadvocacy.ca/resources/pdf/Auspice.pdf](http://www.childcareadvocacy.ca/resources/pdf/Auspice.pdf)**

#### 4. What are the Human Resources Issues?

In a study which examined the human resources issues, *Our Child Care Workforce: From Recognition to Remuneration* (1998), many human resources related challenges were identified, including:

- ➔ work environment challenges;
- ➔ skills challenges; and
- ➔ recognition challenges.

This report outlines the key human resources issues resulting from the “lack of a coherent public policy and chronic underfunding”. Here is a snapshot:

- child care workers have many different levels of training and education and are required to follow regulations and training requirements which vary from region to region.
- some are self employed, others are employees and the vast majority are women.
- the majority work in unregulated environments – in their own homes or in the homes of the children they care for.
- child care workers/caregivers are amongst the lowest paid workers in our country.
- many work in isolation and have few opportunities for accessing training.
- many work exceptionally long hours and experience poor working conditions; a variety of work place health and safety risks; inadequate, if any, employment and retirement benefits; some are excluded from employment standards and provincial/territorial minimum wage laws.
- many caregivers leave this work – the turn over of staff is high – and recruitment of new child care workers is difficult.
- the level of unionization is small.
- a human resources strategy is crucial to addressing the quality of child care as child care is chronically underfunded.

For more information about the human resources issues and the Child Care Human Resources Roundtable (the Child Care Sector Council): [www.cchr.ca/background\\_en.html](http://www.cchr.ca/background_en.html)

## The Child Care Picture of Today:

The public policy issues are numerous and complex, and parents interested in further exploring this topic, will find it informative to check out:

- ✓ Child Care Advocacy Association web site at [www.childcareadvocacy.ca](http://www.childcareadvocacy.ca) - **Articles, Briefs** etc. and other informative **Links** under **Resources**.
- ✓ extensive research reports and related documents, on the web site of the Childcare Resource and Research Unit at [www.childcarecanada.org](http://www.childcarecanada.org)