

# Childcare Resource and Research Unit Prepared for the Standing Committee on Finance August 3 2016

# Right steps: Getting the architecture right for a national child care<sup>1</sup> program

"For Canadian families, high-quality, affordable child care is more than a convenience-it's a necessity" (Federal Budget Plan 2016, *Chapter 2: Growth for the Middle Class, p. 101*)

The Childcare Resource and Research Unit is an independent, nonpartisan policy research institute with a mandate to further early childhood education and care policy and programs in Canada. This brief describes the current child care situation and the child care commitments the current federal government has made. It argues that-- with the right "architecture"--a Canada-wide, ECEC system with programs designed and managed by provincial/territorial governments and Indigenous communities could play a key role for Canadian families and society. It concludes with proposals for a national policy framework, making four recommendations to the Committee (see p. 4).

#### The child care situation now

Most people would agree that Canada's child care situation fails not only to meet the needs of Canadian families but falls short in supporting other social needs as well. In the absence of Canada-wide early childhood education and childcare (ECEC) policy and adequate federal funding, high quality child care remains limited in supply and financially out of reach for the majority of families in all regions of Canada.

In the absence of a national policy, the provinces/territories have each developed an assortment of policies that treat ECEC in relatively similar ways but are too often less than effective for meeting the range of needs. Although there have been many commendable initiatives and all jurisdictions acknowledge both that modern families need child care and that quality child care benefits children, none has yet put in place a systematic "joined-up" plan for supporting young children's development and families' needs for care.

<sup>&</sup>lt;sup>1</sup> This brief uses two terms: *early childhood education and care* (ECEC) and *child care*. ECEC is an aspirational term that means all full- and part-time care and learning services for children from birth to compulsory school age, including kindergarten, recognizing that there is also a need for outside-school-hours services up to age 12. The vision is that these programs can be blended, so that care and education for young children become inseparable, as they are in some other countries.

For the young families across Canada who struggle with the same limited child care options as did their parents, it is an urgent crisis. Inadequate public funding and weak public policy are closely linked to child care space shortages (especially for infants, Indigenous communities, children with disabilities, rural communities and families working non-standard hours). High fees put quality child care out of many families' reach while out-of-date fee subsidy schemes fail even low income families--let alone the modest and middle income families who are usually not eligible. Available information suggests that culturally appropriate accessible ECEC for Indigenous Canadians is even more lacking.

The early childhood education profession that is at the heart of early childhood programs is poorly paid and under-valued. Too often, program quality cannot be considered "educational" or beneficial to children and integration with the education system remains weak. For too many parents, the only available option is unregulated child care with no public oversight—a "choice" that occasionally turns harmful or deadly.

## 2015: Commitments from a new federal government:

With the October 2015 change in federal government, it once again began to seem possible to remedy Canada's dismal ECEC picture. Under the rubric "hope for the middle class", the Liberals have committed to developing a national Early Learning and Child Care Framework in collaboration with provinces/territories, noting that "every Canadian child deserves the best possible start in life". The funding for child care --part of a ten year \$20 billion Social Infrastructure Fund that includes housing, seniors' facilities and cultural resources--is not earmarked specifically for child care and is arguably much too limited. A commitment to developing the National Framework for agreements with provinces/territories/Indigenous people based on "research and evidence-based policy" is consistent with the government's overall direction expressed by Finance Minister Morneau in the 2016 Budget Speech as "good policy is impossible without good data".

#### What child care could do for Canada--if the architecture were right

The most succinct explanation for Canada's child care situation is that we rely on a child care market in which governments take limited responsibility rather than building a coherent public system. A real ECEC system needs overarching long-term goals, planning, substantial public funding and public management rather than relying on market forces and a consumerist approach to shape, create, maintain, deliver and finance child care. Both federal and provincial/territorial child care policy encourage this dependence on markets, flying in the face of clear evidence that public management of child care is not only fairer but a much more effective and efficient way to deliver accessible, quality services.

Changing child care could be an opportunity for Canada. High quality ECEC plays a role in combating inequality between men and women, between social classes and between generations. Few would disagree that Canada's support for families, women, and children is inadequate and has negative implications for today's young adults now and in the future as "Generation Squeeze" struggles with employment, debt, housing and family time.

A national child care program would also be a key piece in remedying Canada's women's equality record. As many have noted, the right answer to "why should Canada have a universal

child care program?" is "Because it's 2015 (or 2016)". Lastly, ECEC is considered to be a human right for not only for women (Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) but for children, as the Convention on the Rights of the Child (CRC) and Education for All (EFA) outline.

Families in all regions of Canada desperately need access to the ECEC services that only a comprehensive system can provide. The key to building this system for all Canadians is the same today as it was before 2006 and for thirty years before that: The federal government must step up to the plate. The federal government has a key role to play in child care, now and in the future, as it had in Medicare, Employment Insurance and pensions.

#### What has to happen: First steps

As noted earlier, there is a strong case to be made that child care can have a key role in addressing multiple societal goals *if* it is well-designed, publicly-funded, publicly-managed, high quality and accessible. Experience and evidence show clearly that the best way to do this is by using a multi-layered governance approach with robust roles for both the federal government and provinces/territories.

Currently, the new federal government is taking what could be the first steps to transforming the current patchwork to an ECEC system by working with provinces/territories to develop a national policy framework and has included funds for 2017 in the 2016 federal budget.

## Shared Framework

Last year, following the federal election, CRRU joined with other national, provincial/territorial and Indigenous groups and experts with an interest in ECEC to develop a common set of proposals for moving toward a robust national ECEC policy framework. <u>A Shared Framework for building an early childhood education and care system for all</u> lays out the components by which an evidence-based plan for building this system could be implemented (see link to online document).

The Shared Framework is addressed to all levels of governments across Canada to use in building an equitable ECEC system over time. It proposes common (but not identical) federal/provincial/ territorial policy frameworks based on the assumption that ECEC is a public good and a human right, not a commodity; that equity is a core value for ECEC policy and services. It proposes, as a starting point, key principles of universality, high quality and comprehensiveness. It recognizes that Indigenous peoples should define Indigenous child care and will require adequate resourcing to address current inequities.

To accomplish this, the Shared Framework calls for a plan for long-term sustained funding and System-building and policy and system development shared by federal/provincial/ territorial and local governments, with participation of key stakeholder groups.

#### Right steps

With all this in mind, in the pre-budget process leading up to the 2017 federal budget the Child care Resource and Research Unit is pleased to put forward the following recommendations for consideration:

- We recommend treating the funds already allocated for 2017 in the 2016 budget process as the first step towards an evidence-based comprehensive child care system. We propose transferring these funds to those provinces/territories that have developed plans consistent with the Shared Framework that are aimed at achieving, over time (a decade) universal, high quality, comprehensive ECEC systems.
- 2. We recommend using the 2017 budget process to commit to a long term sustained approach to federal funding to support provinces/territories that have created plans and have begun moving toward universal, high quality, comprehensive ECEC systems. We propose a long-term, sustained approach that clearly identifies ("earmarks") federal funds for child care beginning in the 2018 federal budget. To develop a child care system that would expand to eventually accommodate all children whose parents choose to participate, the ECEC funds should ramp up over 10 years to represent at least 1% GDP, consistent with international benchmarks.
- 3. Recognizing that ECEC is, like health care, primarily a matter of provincial jurisdiction, we nevertheless recommend shared work in system-building among federal/provincial/ territorial/local governments and Indigenous communities groups, with the participation of key stakeholder groups such as educators, researchers, service providers and parents. This could include shared initiatives such as national quality goals, a national strategy for the child care workforce and a robust data/research/innovation agenda, as well as work on other key family policies such as maternity/parental leave and workplace flexibility.

We believe that this kind of collaboration will not only permit democratic participation by non-government stakeholders but that the collaborative approach will significantly strengthen the quality and reach of the work.

4. We recommend that Budget 2017 be used as an opportunity to restore federal funding for applied research, capacity building and advocacy that historically had made it possible for child care and other civil society organizations to participate and contribute.

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