



**Child Care Advocacy
Association of Canada**

**L'Association canadienne
pour la promotion des services de garde à l'enfance**



A pre-budget consultation brief to the House of Commons Standing Committee on Finance, by the Childcare Advocacy Association of Canada

Introduction

The Child Care Advocacy Association of Canada (CCAAC) continues to call for a national child care policy and public investment in a high quality, universal, publicly-funded, not-for-profit-early childhood education and care (ECEC) system, as we have since our beginning in the early 1980s.

This is the right thing to do for children, families and communities, and would be a powerful booster for the Canadian economy. Evidence shows that a strong system of early childhood education and care will yield substantial social and economic benefits. The Chief Economist and Senior Vice President of the TD Bank Group Craig Alexander summed up some of the evidence about the importance of early childhood education and care:

Given the unquestionable number of benefits that early childhood education can provide it follows that more focus should be put on investing in and improving the system” (Ottawa Citizen, 2012).

However, child care in Canada is currently in a state of crisis. It is a fragmented patchwork that demonstrates the failure of a market-based approach to the development of child care services. Evidence of this crisis can be seen across the country in:

- Unaffordable fees for parents;
- Inequitable access to services;
- Shortage of child care spaces; there are only enough spaces for 20.5% of Canadian children 0-12 years of age (Friendly, Halfon, Beach & Forer, 2013);
- Poor wages and working conditions for child care providers;
- Growth in corporate for-profit child care chains.

This stands in stark contrast to the global recognition of early childhood education and care as a right of every child, a right that is affirmed by the United Nations Convention on the Rights of the Child, to which Canada is a signatory.

Furthermore, access to affordable, quality child care is central to the overall goal of reducing child poverty in Canada. On November 24, 1989 the House of Commons unanimously passed an all-party resolution: “This House “seek(s) to achieve the goal of eliminating poverty among Canadian children by the year 2000”. However, with nearly 1 in 7 children still living in poverty, Canada remains a long way from meeting these commitments (Campaign 2000, 2013).

Canadians expect our government to live up to its international treaty obligations and House of Commons resolutions.

Child care and the pre-budget consultation's themes

The pre-budget consultation process sets out “six key themes” that will shape the work of the committee. When done right, ECEC has the capacity to address four of these six areas of focus.

Most obviously, ECEC fits into the theme of “supporting families and helping vulnerable Canadians by focusing on health, education and training” because it helps working and student parents balance their work and family responsibilities. ECEC can also be seen as the “the first step” in the education system for children, as it is in many countries, and as a foundation for later school success.

ECEC's role as a community institution that promotes social solidarity places it firmly within the theme of “ensuring prosperous and secure communities, including through support for infrastructure”. Spending on regulated ECEC services instead of on less accountable demand-side benefits such as the Universal Child Care Benefit (Friendly, 2013) would help in “improving Canada's taxation and regulatory regimes”. Finally, economist Robert Fairholm (2009) has shown that ECEC is an excellent economic stimulator and would help Canada “maximize the number and types of jobs for Canadians”. A national ECEC system has the ability to bring these and other benefits to Canadian families and society.

Recommendations for the 2015 federal budget:

Recommendation #1:

The federal government should **immediately invest \$700 million dollars** in federal transfer payments earmarked for regulated child care to provinces/territories/and Indigenous communities.

While this will only minimally further our goals of improved access to quality, non-profit, inclusive early childhood education and care for all Canadian children and families, and will not begin to transform child care from the failed user fee market model to a publicly-funded and managed ECEC system, it is needed to help provinces/territories shore up their existing child care situations in the short term. While this is not the national child care program we need, families across Canada desperately need some relief.

To further our goal of improved access to quality, non-profit, universal early childhood education and care for all Canadian children and families, a fully developed national child care policy that limits the role of the market in child care policy and provision, replacing it with a child care system, is needed.

Recommendation #2:

The Finance committee should recommend that the Government of Canada begin the process of developing, with the provinces and territories, a strategy for a high quality, universal, publicly funded, non-profit early childhood education and care system.

Recommendation #3:

Reallocate the \$2.8 annual funds currently spent through the Universal Child Care Benefit into federal expenditures to develop a national early childhood education and care strategy. To date, the public cost of the UCCB has reached approximately \$17.5 billion, yet the federal government has not assessed the effectiveness of the program (Friendly, 2013). According to the federal government the main objective of the UCCB is to “provide choice in child care”. However, the 2011 review of the program contained no information about whether the program and funds are used effectively by parents to access the child care provision of their choosing. Therefore, the Finance Committee should at the very minimum suggest an outcome-based evaluation of the program to shed light on whether or not the UCCB does provide some choice in child care for the majority of Canadian families.

Given that the 0-4 age population is experiencing huge growth, and that the data show that accessibility, affordability and quality of ECEC services in Canada have not improved in the last decade, we strongly suggest that the public funds spent through the UCCB could be used more effectively if directed towards establishing a national child care program.

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