

Child Care



ALTERNATIVE
FEDERAL BUDGET
2017

CHILD
CARE

HIGH STAKES

- Child care is treated as a commodity, sold on a child care market, rather than provided as a public service.
- Child care fees are already high and are rising faster than inflation.
- There are only enough regulated child care spaces for 25% of children aged 0–5.
- Child care is marred by inconsistent quality, high turnover, and poor pay for staff.
- There is a lack of federal government leadership in planning, standard setting, and funding.
- Canada ranks last among economically advanced countries on child care.

CLEAR CHOICES

- Build a comprehensive system of public and non-profit child care services available to all children and families everywhere in Canada.
- Make parent fees affordable.
- Provide spaces for all, respecting families' diverse needs, and fully include children with disabilities.
- Ensure consistently high-quality programs led by well-qualified, well-compensated, and respected educators.
- Develop robust public policy and planning with substantial public funding.
- Take pride in building a child care system with a choice of affordable, quality options for all children whose families choose it.

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Background

“For Canadian families, high-quality, affordable child care is more than a convenience — it’s a necessity.”¹ These words, from the 2016 federal budget, followed the Liberal party’s 2015 election pledge to work with “provinces, territories and Indigenous peoples to establish a National Framework on Early Learning and Child Care... that meets the needs of Canadian families, wherever they live.”² They suggest the government is committed to the kind of broad-based — or universal — approach to child care Canadians have been missing for too long.

In 2008, Canada ranked last among peer nations on 10 early childhood education

and care (ECEC) benchmarks.³ The federal government had just cancelled the planned national child care program, with its substantial cash transfers to provinces and territories, and withdrawn from any role in improving child care provision across the country. It is disturbing but not surprising that, despite some promising initiatives in a number of provinces, child care across Canada remains unaffordable, unavailable, and inconsistent in quality.

A robust body of research confirms the superiority of a universal versus a targeted approach to child care, as detailed in an accompanying AFB technical paper, *Child care for all of us: Universal child care for Canadians by 2020*.⁴

First, vulnerable children can be found across all socioeconomic groups, so an approach that targets children based on family incomes (typical in Canada) misses the smaller proportion, “but often larger absolute number,” of vulnerable children in middle- and upper-income groups.⁵ A second related bonus of universal approaches is that they prevent social exclusion, and socio-economically “mixed” programs are more beneficial for vulnerable children than targeted programs.

Third, universal services “usually command broader and more sustainable public support and engender greater public concern for quality,” according to a 2008 UNICEF report card. “Too often, services for the poor have meant poor services.”⁶

Furthermore, access to child care is at least as much about parents’ labour force participation and women’s equality as it is about child development. The need and desire for quality child care is not confined to low-income families or even to those with vulnerable children, but is “critical to the economic security of families and, in particular, to the economic security of women.”⁷

A Shared Framework for Early Education and Care

Early in 2016, the Canadian child care community developed a *Shared Framework for Building an Early Childhood Education and Care System for All*.⁸ Essentially it is a blueprint for building the universal, high-quality, and comprehensive child care system we need. The framework calls for federal leadership and funding for child care, while

recognizing the key roles of provinces, territories, and Indigenous communities in developing and implementing services that meet local needs. It affirms that “while there are many points of commonality in our shared vision, we recognize that Indigenous communities may choose unique approaches and content.”

The Canadian child care movement defines universal child care as available, appropriate and affordable for all, inclusive, non-compulsory, varied, and not (necessarily) free.⁹ The Child Care Advocacy Association of Canada (CCAAC) states: “At a minimum, universal systems provide access for all without discrimination based on income or other criteria. Effective universal systems also work to eliminate a range of social, ability-based, cultural, geographic, and other barriers to equitable access and participation.”¹⁰

While calling on governments to play an important role in planning and policy, a comprehensive approach to ECEC envisions a variety of services delivered by public and non-profit providers, in various locations (centres, private homes, schools), over various time periods (e.g., part-day, full-day, and extended/non-standard hours).¹¹ Well-remunerated, well-trained, and well-supported early childhood educators are key to achieving quality service.¹²

Finally, a comprehensive system of universal, high-quality ECEC must be integrated with broader family policy improvements, such as enhanced parental leave and income support for parents, in order to meet the diversity of families’ and children’s needs at the local level.

Underpinning the principles of universality, high quality and comprehensiveness are three interrelated “understandings” that are essential to achieving an evidence-based national framework.

First, Canada needs to move away from its current market-based approach to child care in which governments take limited responsibility for service development and public funding is primarily provided to parents through individual fee subsidies or tax breaks. Canada’s weak showing on developed country ECEC ratings is largely explained by our lack of a publicly managed system.¹³

Second, building a comprehensive ECEC system requires a clear long-term vision, matched by sustained, adequate public funding, as the foundation on which public accountability can be built. The international minimum funding benchmark for countries striving to establish effective ECEC systems is 1% of GDP for children aged 0–5 years.¹⁴ Canada needs to substantially ramp up its funding throughout the system-building process (which may take a decade) to meet even this low-end goal.¹⁵

Third, the federal government needs to confirm its leadership role, and the respective roles of the provinces and territories, in achieving a universal, high-quality, comprehensive system. In their election platform, the Liberals stated they “will not impose predetermined costs or models on other orders of government but work collaboratively with each of them on funding agreements.”¹⁶ This is consistent with the shared framework developed by child care advocates, which takes the position that “meet-

ing the [federal] government’s key objectives for families in all regions (accessibility, affordability, quality, inclusiveness) will require an overarching national approach” that nonetheless recognizes provincial-territorial jurisdiction over ECEC.¹⁷

In the absence of federal leadership, the provinces and territories have developed unique ECEC systems that share much in common. Despite exemplary features in some of those systems, most are generally less than effective.

For example, all provincial-territorial ECEC systems provide publicly funded and delivered kindergarten, as well as a combination of centre-based and home-based services, with both full-time and part-time options and family resource programs. Almost all jurisdictions rely largely on market-driven for-profit and non-profit services, with limited public base funding, and disburse most child care funding in the form of fee subsidies targeted to lower-income families.

All child care services except those in Quebec rely heavily on parent fees as the main source of revenue. These costs, which are often higher than university tuition fees, are increasing at rates that outpace inflation.¹⁸ All child care services across Canada rely on a poorly remunerated, almost entirely female workforce and have education and training requirements that are generally lower than international benchmarks.

These structural similarities mean that, in practice, the challenges experienced by families on a daily basis are remarkably similar wherever they live. Child care is frequently not available where and when parents need it, and is affordable only for

a minority of families. The quality of care, when parents do find a space, is often so low that it cannot reliably give children the best start in life.

And in all regions of Canada some groups — such as infants, children with disabilities, newcomers, rural communities, parents working nonstandard or part-time hours, and especially Indigenous families — are routinely left out of ECEC. Culturally appropriate early childhood services for Indigenous children on- and off-reserve are woefully underfunded and underdeveloped across Canada. It is thus not surprising that the Truth and Reconciliation Commission called for culturally appropriate Indigenous early childhood education as part of the healing and reconciliation process.

AFB Actions

The AFB begins to move Canada from its failed market-based approach to ECEC toward a comprehensive, publicly managed system of high-quality, universal care. Child care funding is currently part of an undifferentiated, 11-year, \$21.9-billion Social Infrastructure Fund that includes housing, seniors' facilities, and cultural resources. A dedicated and sustained funding stream is needed to promote transparency and accountability and to monitor progress.

Action: Commit \$600 million to a dedicated and sustained federal funding stream. While ECEC spending in year one is relatively modest, to allow time for effective federal-provincial-territorial-Indigenous planning and preparation, it will grow by

\$1 billion over each of the subsequent five years to achieve the minimum established benchmark of 1% of GDP. The program will be fine-tuned after five years.

Action: Consistent with the shared framework on a Canadian ECEC program, new funding will come with certain conditions. The government will provide \$100 million to empower and resource Indigenous communities to begin to design, deliver, and govern ECEC systems and services that meet their needs and aspirations. It will also provide \$500 million to provinces and territories that have committed to developing their own ECEC policy frameworks based on principles of universality, high quality, and comprehensiveness, and include the following elements:

- **Public plans** for developing integrated systems of ECEC that meet the care and early education needs of children and parents;
- **Public management** of the expansion of public and not-for-profit services under public authorities through public planning processes, including integration of existing community services into publicly managed systems;
- **Public funding** delivered directly to ECEC services and systems rather than through individual parent-payment measures (this will ensure high-quality, accessible services through predictable, sustained, dedicated funding);
- **Public reporting** in federal, provincial, and territorial legislatures on qual-

ity, access, and other elements in the ECEC system.

Action: Review and develop a plan for strengthening the federal-provincial-territorial approach to maternity/parental leave with respect to eligibility, flexibility, adequacy of benefits, special considerations (including children with disabilities), adoption and multiple births, and earmarked leave for a parent who is not the birth parent in a couple.

Notes

1 Department of Finance. (2016). *Federal budget. Growing the middle class*. Ottawa: Government of Canada. Online retrieved November 14 2016 <http://www.budget.gc.ca/2016/docs/plan/budget2016-en.pdf>, p. 101

2 Liberal Party of Canada. (2015). “Greater economic security for middle class families.” Background. Liberal Party of Canada. Online retrieved December 23, 2016 <https://www.liberal.ca/files/2015/09/Greater-economic-security-for-Canadian-families.pdf> and <http://www.liberal.ca/realchange/child-care/>; The terms “early learning and child care” and “early childhood education and care (ECEC)” include centre-based child care, regulated home child care, preschools/nursery schools, and kindergarten. Here we use the terms child care, early learning and child care, and ECEC interchangeably, although we tend to describe our system-building aspirations as ECEC.

3 UNICEF. (2008). *The child care transition: A league table of early childhood education and care in economically advanced countries*. Innocenti Report Card 8. Florence, Italy: UNICEF Innocenti Research Centre.

4 Key aspects of this Technical Paper are incorporated into this chapter. Available online at https://www.policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2016/12/Child_Care_AFB2017_technical_paper.pdf

5 UNICEF. (2008). *The child care transition: A league table of early childhood education and care in economically advanced countries*. Innocenti Report Card 8. Florence, Italy: UNICEF Innocenti Research Centre, p. 18.

6 UNICEF. (2008). *The child care transition: A league table of early childhood education and care in economically advanced countries*. Innocenti Report Card 8. Florence, Italy: UNICEF Innocenti Research Centre, p. 17.

7 Liberal Party of Canada. (2015). “Greater economic security for middle class families.” Background. Liberal Party of Canada. Online retrieved December 23, 2016 <https://www.liberal.ca/files/2015/09/Greater-economic-security-for-Canadian-families.pdf>

8 Child Care Advocacy Association of Canada, Canadian Child Care Federation, Childcare Resource and Research Unit and Campaign 2000. (2015). *Shared Framework for building an early childhood education and care system for all*. Online retrieved December 23, 2016 https://ccaacapsge.files.wordpress.com/2016/01/sharedframework_jan2016.pdf

9 In early childhood programs the term “inclusion” is usually defined as fully welcoming and supporting children with disabilities together with all children. However, the term “social inclusion” is sometimes used more generally to mean the process of improving the terms for individuals and groups to take part in society. The Canadian child care community envisions an inclusive system that welcomes, nurtures, and respects families in all their diversities.

10 Child Care Advocacy Association of Canada. (2004). *From patchwork to framework. A child care strategy for Canada*. Ottawa, ON: Author

11 With regard to for-profit provision the prevailing position of the child care movement, based on the best available evidence, is that existing for-profit centres can continue to operate within a publicly funded system, provided they (along with other private providers such as non-profit and family child care services) meet public accountability requirements. However, for-profit services will not continue to expand because new public funds should be used to increase access to high-quality, affordable, public- and community-owned services, not private profits.

12 Bennett, J. (2008). *Review of the literature and current policy in the early childhood field*. UNICEF Innocenti Research Centre Working Paper. Online retrieved November 14, 2016 https://www.unicef-irc.org/publications/pdf/iwp_2008_01_final.pdf

13 Ferns, C. and Beach, J. (2015). *From child care market to child care system*. In Our schools, ourselves, Special Issue, Summer 2015. *Moving beyond baby steps: A child care plan for Canada*. Online retrieved November

14, 2016 https://www.policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2015/09/OS120_Summer2015_Child_Care_Market_to_Child_Care_System.pdf

14 UNICEF. (2008). *The child care transition: A league table of early childhood education and care in economically advanced countries*. Innocenti Report Card 8. Florence, Italy: UNICEF Innocenti Research Centre.

15 Child Care Briefing Note. (2006). *Early learning and child care: How does Canada measure up? International comparisons using data from Starting Strong II* (Organisation for Economic Co-operation and Development, 2006). Childcare Resource and Research Unit.

16 Liberal Party of Canada. (2015). "Greater economic security for middle class families." Backgrounder. Liberal Party of Canada. Online retrieved December 23, 2016 <https://www.liberal.ca/files/2015/09/Greater-economic-security-for-Canadian-families.pdf>

17 Child Care Advocacy Association of Canada, Canadian Child Care Federation, Childcare Resource and Research Unit and Campaign 2000 (2015). *Shared Framework for building an early childhood education and care system for all*. Online retrieved December 23, 2016 https://ccaacacpsge.files.wordpress.com/2016/01/sharedframework_jan2016.pdf

18 Macdonald, D. and Friendly, M. (2016). *A Growing Concern: 2016 Child Care Fees in Canada's Big Cities*. Canadian Centre for Policy Alternatives. Online retrieved December 23, 2016 https://www.policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2016/12/A_Growing_Concern.pdf