

# ***A Level Playing Field for Early Learning and Care in BC?***

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***Bold Vision for ECD & Schools Symposium***  
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## ***Early Learning and Child Care Research Unit (ELCCRU)***

- Focal point for HELP's ELCC Research and Analyses
- Shared with, and informed by, communities and governments
- Team: Hillel Goelman, Paul Kershaw, Barry Forer



# ***Child Care Financial Analysis:***

And, Lynell Anderson

- 6 yrs around the province; over 1,000 child care program budgets
- Linking words, actions & dollars – ***reality check; daycare ‘wall’***
- Work with communities, research & analysis → moving from individual programs to fed/prov public policy and funding implications
- ***Child Care System Implementation Model***



# ***Bold Vision*** for ECD & Schools

## **What's our Goal?**

Broad family policy that supports, integrates and resources:

- *All* children's inclusion and healthy development
- Parents in *all* of their roles (in the home, and in the community)



# ***Bold Vision*** for ECD & Schools

## **Where are we at?**

- Commitment, collaboration in communities
- Research & evidence support broad-based action
- Declining child population → school space → hubs
- Strong economy; yet 44% of BC businesses “face labour shortages that restrict their ability to meet demand.” (CGA-BC)
- **Systemically** – mature education system; developing school-based early learning system (Strong Start); patchwork of child care services



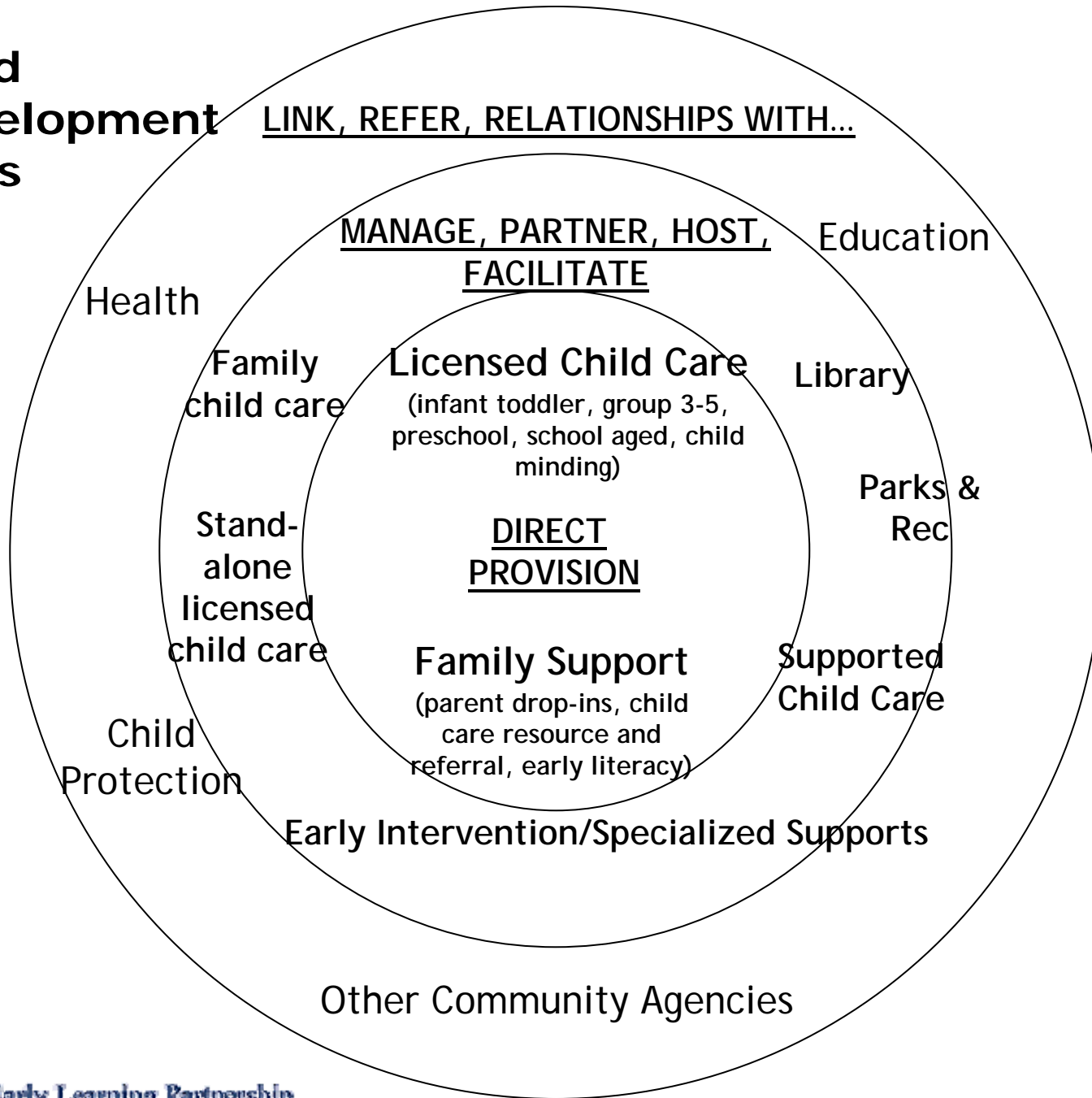
# ***Bold Vision*** for ECD & Schools

## **What do we need?**

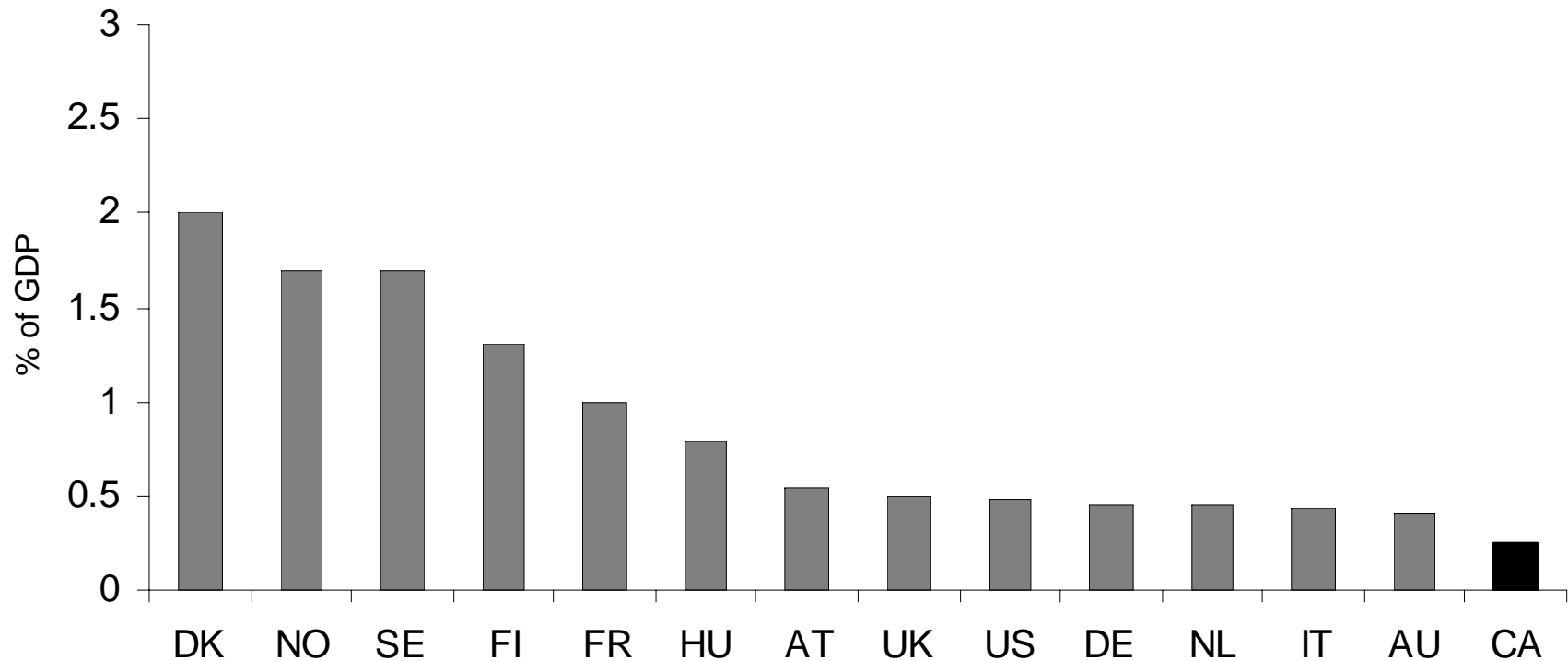
- Seamless family access → Linked/integrated services → **level playing field** (public policy and funding)
- While further enhancements to all services and supports is important, **child care is not in the game**
- **Planning and substantial resources required to build child care system (\$1.2 billion/yr net)**



# Child Development Hubs



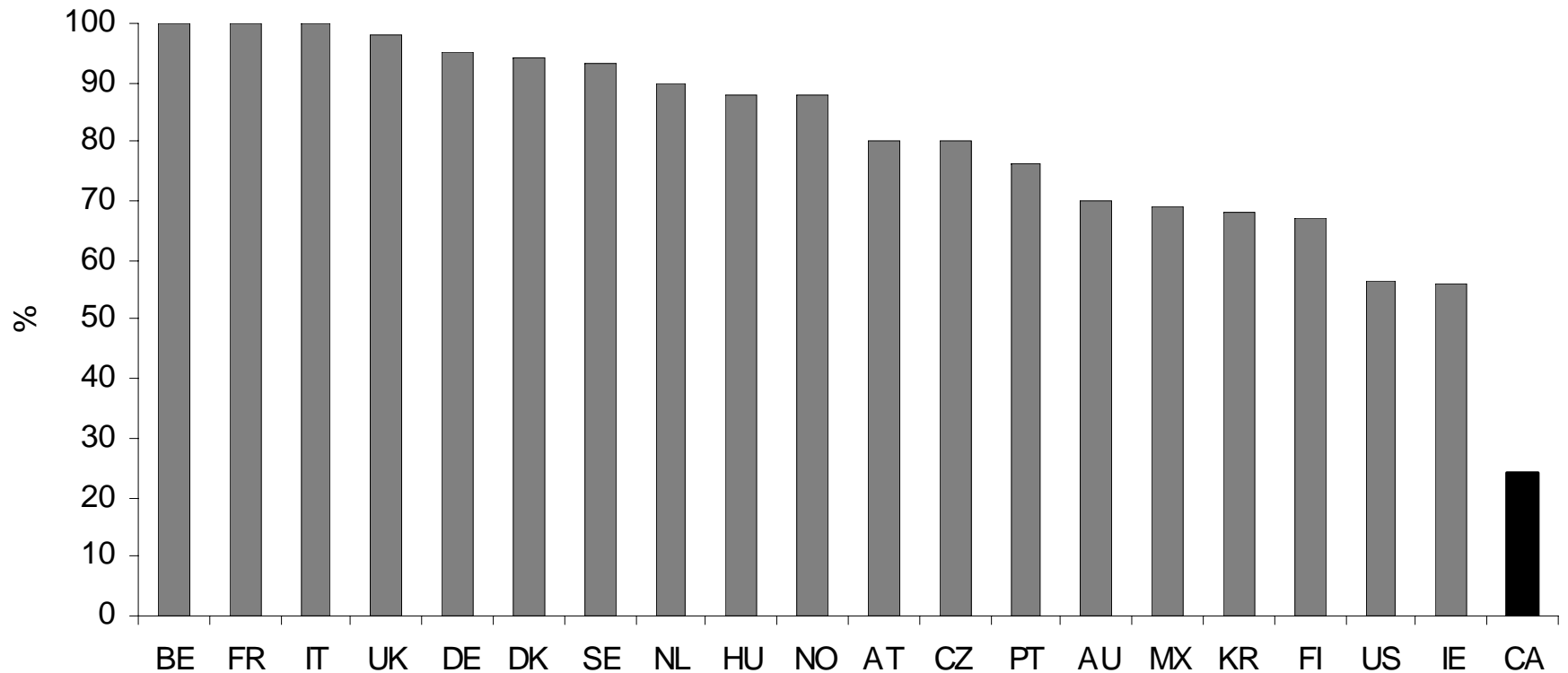
# Spending on ELCC programs: How does Canada compare?



Data source: OECD. (2006). *Starting Strong II: Early Childhood Education and Care*. Annex C, pg. 246.



# Rate of access to ELCC programs for 3-6 year olds



Data source: OECD. (2006). *Starting Strong II: Early Childhood Education and Care. Country Profiles.*

AU, CZ, FI, HU, NL, UK – Estimated (averaged across ages 3-6)

DE – Estimated (averaged across ABL and NBL)

CA – Children 0-6 in child care including regulated family day care



## 2004 International Rankings

### “Average” Family Benefit Package Value (Kershaw, 2006)

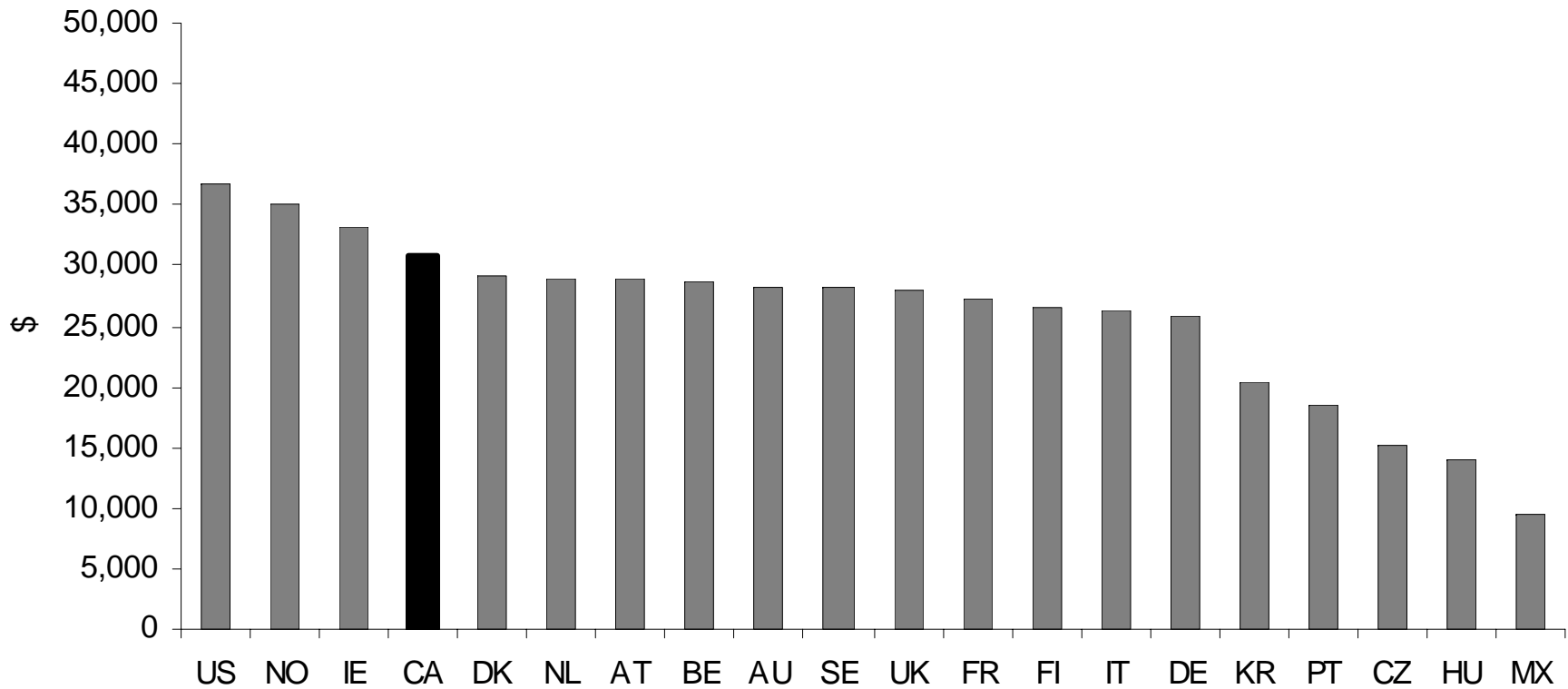
Country	\$/family/mth
Austria	658
UK	380
Norway	340
Australia	337
Sweden	273
US	184
<b>BC/Canada</b>	<b>165 *</b>
Japan	103

\* Child care fees often move  
'family benefit' to 'family penalty'



# How wealthy is Canada?

## GDP per capita (in U.S. \$)



Data source: OECD. (2006). *Starting Strong II: Early Childhood Education and Care. Country Profiles.*



“In Canada governments are in phenomenal fiscal shape”:

- Federally, maintained annual budget surpluses since 1997– the only G7 country to do so
- Highest employment and real GDP growth in G7 countries (1997-2005)
- Lower federal debt than OECD average

**In 2005/06:**

- Federal surplus                      \$13 billion
- Total PT surplus                      \$13 billion (BC \$3 billion)
- **Combined Surplus                \$ 26 billion**



## Despite these financial strengths:

- Across Canada, almost 1 in 6 children live in poverty
- BC has highest child poverty rate at 23.5% (almost 1 in 4) (Campaign 2000 Report Card 2006)
- Quebec – only province with consistent decline in child poverty rates since 1997 (when family policy, including child care, introduced)
- **Outside of Quebec, public investment in family support, particularly child care services, lower than most other industrialized countries**



# MCFD Operations – Budget 2006

(\$ millions)	2005/06	Inc	2006/07
Total ministry operations per 2006/07 service plan	<b>1,061</b>	173	<b>1,234</b>
Less: federal child care transfers			
Multilateral Framework (ELCC 2003)	<b>30</b>	<b>10</b>	<b>40</b>
Bi-lateral Agreement (ELCC 2005)	<b>30</b>	117	<b>147</b>
Total federal child care transfers	60	<b>127</b>	187
Net Provincial Contribution to MCFD Operations	1,001	46	1,047



# Federal changes to child care:

## Child Care Spaces Initiative

### Words (web site):

“all families”, “all sizes and types of employers”

### Dollars:

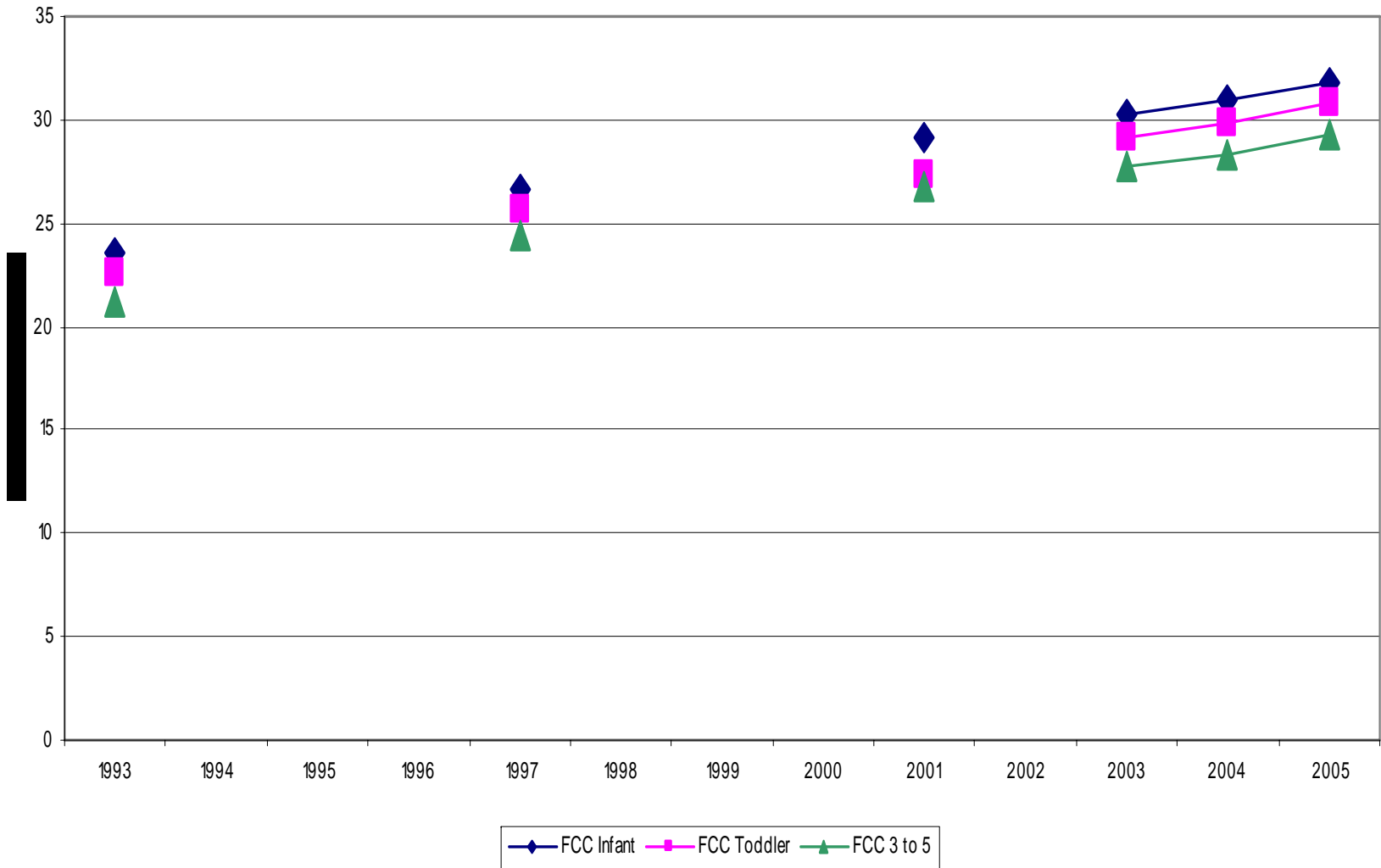
\$250 million/year for **capital** replaces \$1.2 billion/year for **services overall** = \$950 million funding reduction

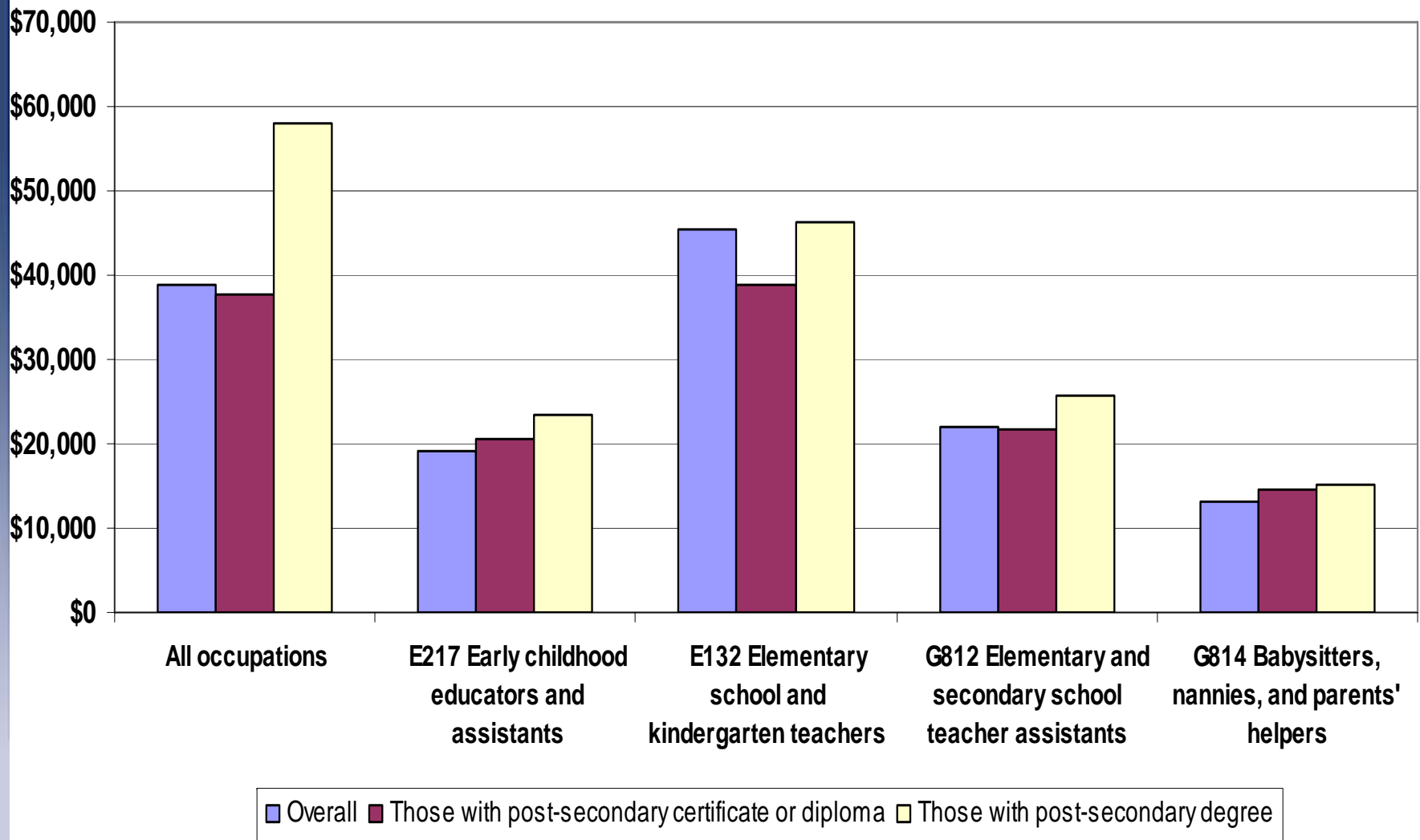
### Reality Check:

Can “all” needs be met with 79% fewer funds?



## Fees in Licensed FCC Facilities, 1993 - 2005





# Focused Public Investment Strategy

- User fees, subsidies and capital incentives not linked to indicators for, or public outcomes of, quality and universality (affordability, inclusion and expansion)

## **Direct, accountable operating funding required:**

- BC's Child Care Operating Fund (CCOF) has potential, but needs adequate funding\* and accountability mechanisms

\*27% funding reduction starts July 1 2007



# Child Care System Implementation Tool

- Incremental public investments measurably advance key system indicators for Quality & Universality
- By establishing full-system, financial targets for Quality (wages & benefits, training), Affordability (fees), Expansion (# of spaces), model shows how accountable public policy → system outcomes
- Financial model – supports various assumptions re: age groups (e.g. including school age), inclusion & access, wages and benefits, affordable fee levels



# What we could be doing (YWCA Canada project)

**In the City of Vancouver alone**, and based on focus group funding priorities, Vancouver's 'share' of federal child care transfers could have been accountable for:

- Enhancing **Quality** (\$75/month/space for compensation and training)
- Improving **Affordability** (\$65/month/space reduction in fees)
- **Expansion**, by providing increased operating funds for **600** new family and centre-based spaces (capital separate)
- **Inclusion** (\$1.4 million to improve access)



# Child Care System Implementation Model

Present Day

Exp Gap

Quality  
Univer:  
System

Q Gap

Current  
Public Funding

Current  
Parent Fees

AFF Gap

Affordable Parent Fees  
(Average 20% of total cost)

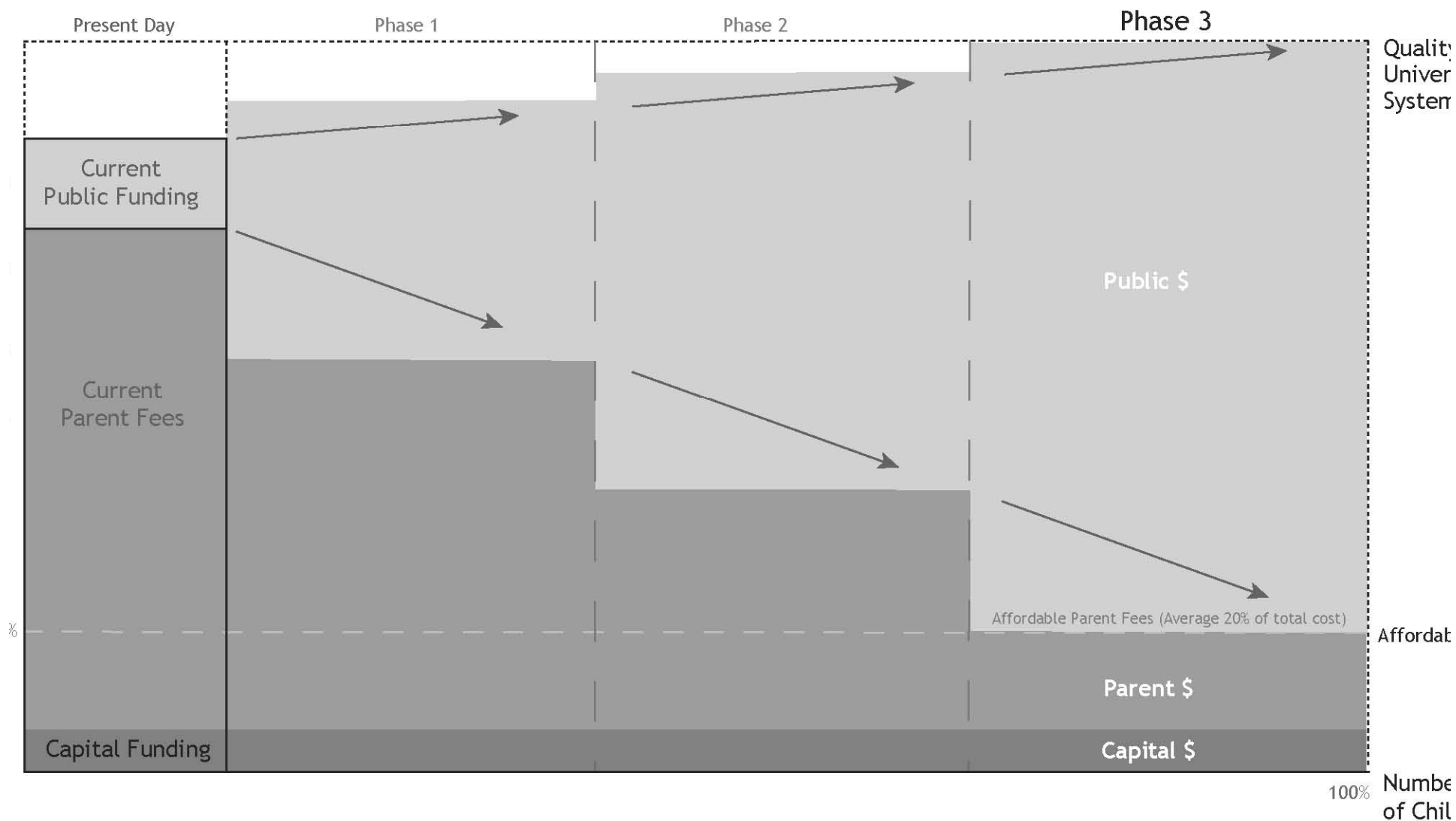
Capital Funding

100%  
Number  
of Chil

- Notes:
1. Q Gap = public funding gap for quality (particularly caregiver wages and benefits, and training)
  2. Aff Gap = public funding gap for affordability (parent fees)
  3. Exp Gap = public funding gap for expansion (additional spaces, ultimately with public funding to desired levels of quality and affordability).

# Child Care System Implementation Model

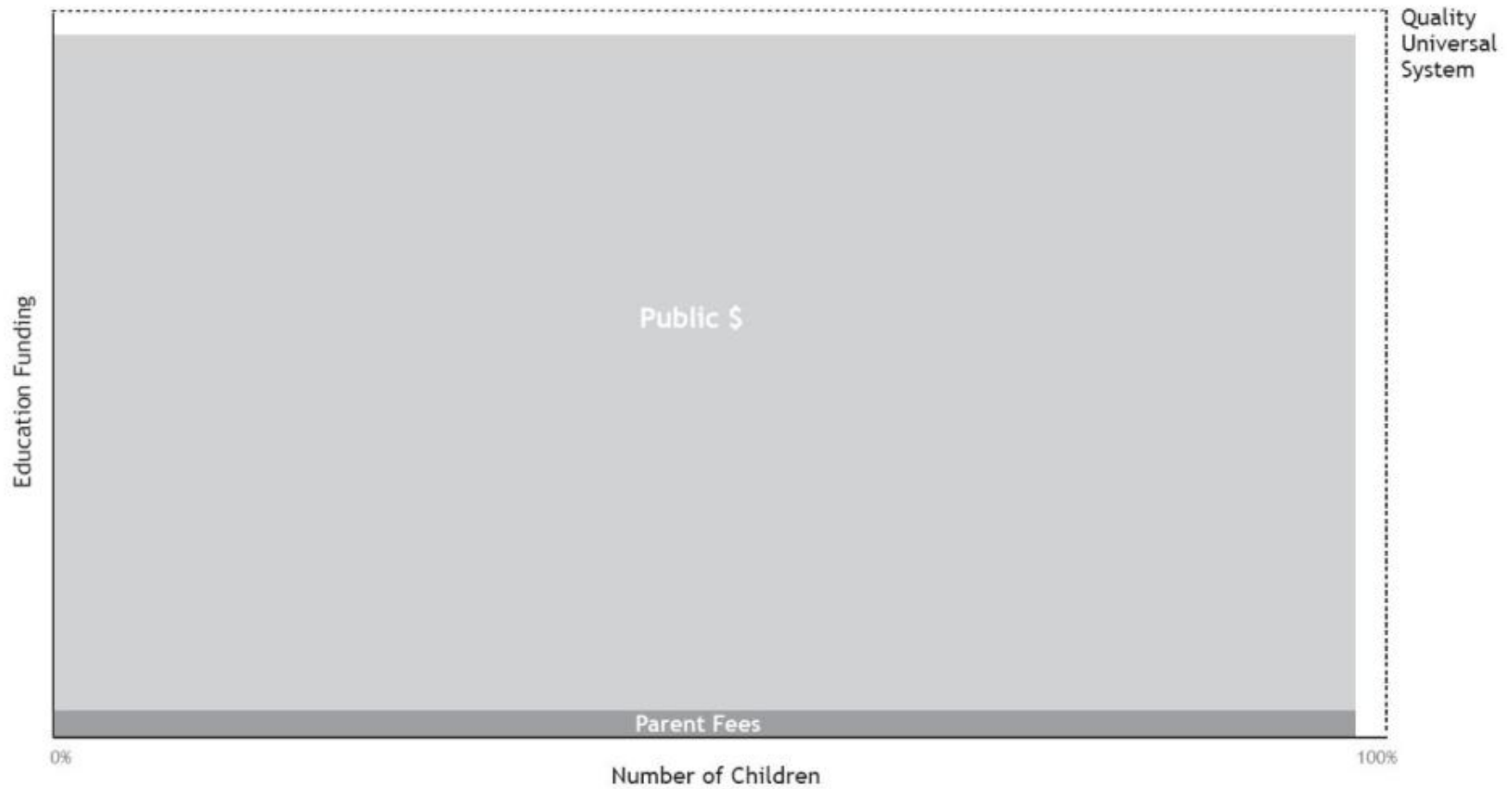
## Full Implementation



**Notes:**

Full Implementation of the model means that, by the end of phase 3 a quality, affordable child care space is available for all those who need or want it on a part time, full-time or drop-in basis in a regulated family home or centre.

## Example of Publicly Funded Systems -Education



**Notes:**

Publicly funded education systems across Canada provide legislated, universal entitlement to children from kindergarten to grade 12.  
All staff and programs meet provincial standards

**Source:**

Lynell Anderson, B.Comm., CGA and YWCA Canada

## Child Care System Implementation Model

**Developed by: Lynell Anderson, B. Comm, CGA**  
*Through*

YWCA Canada and Child Care Advocacy Association of Canada  
**(with funding from Government of Canada's Social  
Development Partnerships Program)**

*Based on*

From Patchwork to Framework: A Child Care Strategy for Canada

*with additional thanks to*

**Dan Rosen, Consultant and Ellen Larcombe, Human Early  
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