

There are many suggestions for solving BC's child care crisis. But would they all work? Here's a look at the false fixes.

1. Give the money to families

The current federal government thinks it can solve the child care crisis by giving each family a small amount of money to use as it chooses. If only it were that easy.

There's no question many families with young children could use more money. BC's child poverty rate is shameful. According to Stats Canada, 20.9% of BC's children live in poverty. That's all the more reason for adequate social assistance, employment strategies, living wages and other initiatives to raise family incomes.

But simply giving money to individuals is not a substitute for quality child care.

Just look at the Conservative government's taxable benefit of \$100 a month. It hasn't created child care spaces. It doesn't come close to covering the actual cost of quality care. And, it hasn't made child care more affordable. What's more, as soon as BC families began to receive the federal benefit, the BC government cut provincial child care funding – saying that fees could be raised now that parents had \$100 more a month to spend on child care.

And fees have risen. From 2001 to 2006, average annual child care fees for pre-school aged children in BC increased by \$672.

Increasing parent fees only pits providers and parents against each other. It's not an effective solution.

Neither is pouring money into child care subsidies. For over 30 years, the BC government has allocated most of its child care budget to subsidies for low-income families. Unfortunately, subsidies don't create spaces. And they rarely cover the full cost of quality care, leaving low-income families to make up the difference (which they can't afford) or use cheaper, unregulated care.

Simply increasing subsidy rates won't work either. Subsidy increases are usually closely followed by increases to fees. And, eligibility rules exclude many families. If subsidies were the answer, BC child care would not be in the crisis it is today.

The solution is stable, adequate operating funds tied to lower fees and higher wages for child care workers. Some low-income families will still need help to cover the cost, but as fees are reduced so will the need for subsidies.

2. Cut red tape

Some suggest the simple answer is to *"eliminate the red tape."* They say: *"Need more spaces? Easy. Increase the number of children providers can care for. Reduce the indoor and outdoor space required for each child."*

But what about the quality of care? Study after study has shown how important good child care is to healthy growth and development, and regulations are key. The total number of children in a group, the ratio of staff to children, the level of training of staff, and the quality of the physical space all make a difference.

Reducing or weakening regulations might seem like a quick fix – but our children will pay the price. BC's child care regulations are not just bureaucratic red tape. They set the minimum standard for our children's health and safety.

The real answer is sustained public investment in quality child care.

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3. *Build it and they'll come*

Some say capital grants are the answer – the Harper Conservatives, for example. They naively believed giving money directly to employers to build new spaces would be a quick fix. When they realized it wasn't, they transferred the funds to provinces to create spaces. The Campbell government allocated \$12 million to capital grants, out of the \$33 million BC received from the feds for 2008/09.

The problem is, on their own, capital grants are not the solution. The total funds available are nowhere near enough. The grants only cover a portion of total capital costs, leaving communities to make up the difference. Even if they can, more often than not there aren't enough qualified staff to operate the new spaces.

The tragic irony is that raising matching funds and attracting qualified staff are most difficult for the very communities that need child care the most. This is no way to ensure public spending matches community needs.

The problems with this particular false fix don't end here. For the first time, BC now gives capital grants to private child care companies, partnerships and proprietors. As public dollars go into privately owned and controlled properties and services, parents become customers rather than partners and citizens, and lose their ability to make sure that publicly funded services meet community needs.

The real answer is capital budgets tied to credible community plans that expand community-owned and controlled child care.

4. *Leave it to the market*

Most of these false fixes share one thing in common – they're all market-based. The misguided belief is that if there's a big demand for child care, the market will supply the needed services. Supposedly, all government has to do is put dollars in the hands of the consumers (direct payments to families), make setting up shop cheaper and easier (deregulation), provide the same level of subsidy or incentive to non-profit and for-profit care (grants), and then get out of the way.

But market-based solutions to child care don't work. There is little room for profit when it comes to quality child care. Profit either comes out of wages of child care workers (affecting quality) or parent fees (making it less affordable). Services that are market-driven are more likely to be provided where it's easy to make a go of it, not where the need is greatest.

What's more, when market-driven child care providers decide to get out of the business, families and communities are left high and dry. We don't close libraries when librarians retire or move on. Why would we invest public funds in services that could be lost when operators move on or shareholders aren't happy with their rate of return?

The experience of other countries who have relied on this market-based false fix confirm it's not the way to go. In Australia, where for-profit corporations control 70% of child care spaces, fees have gone up 123% since 1990 (when the government began spending more on subsidies). Quality is a concern. Rural communities and families with children who require extra support are underserved. Choice – often touted as the main benefit of market systems – is limited as a few large companies control almost all of the care.

The real answer is stable, adequate operating and capital budgets that build and deliver community-owned and controlled child care.

Child Care - Let's Make It Happen! campaign partners believe the best way to fix BC's child care crisis is by creating a community-controlled, universal, publicly funded, high quality child care system that meets the needs of children and working families.

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