

Since 2011, the Coalition of Child Care Advocates and the Early Childhood Educators of BC have been advancing the Community Plan for a Public System of Integrated Early Care and Learning.

When government puts the Plan in place, child care will cost families \$10 a day for a full time program, \$7 a day for part-time, and no user fee for families with annual incomes under \$40,000.

Every young child will have the right to participate in quality early care and learning programs that meet their needs. It will be up to families to choose what services work for them. With new investments from the province, locally elected school boards will provide early care and learning programs with the operating funds needed to deliver quality care.

Learn more about the Plan at 10aDay.ca

FACT SHEET

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\$10aDay Child Care

A Key to Ending Family Poverty

Poverty Affects Us All

Despite being one of the wealthiest provinces in the country, 13.2 per cent of the population — that's 595,000 British Columbians — live in poverty.¹

BC's child poverty rate (19.8% as of 2014) is among the highest in Canada, and more than half (50.3%) of BC children in lone-parent families live in poverty.² Most poor people are working, and one in three of BC's poor children live in families where at least one parent has a full-time, full-year job.

BC also has one of the highest rates of income inequality in Canada. Inequality negatively impacts physical and mental health, education outcomes, trust and community life, children's health and wellbeing, drug addiction, and more.

Poverty is not just a hardship for those who experience it. It is costly to us as a province. Poverty reduction is a sound investment for our province, our communities and ourselves. And yet, **BC is the only province left without a poverty reduction plan.**

Child Care Key to Poverty Reduction

Affordable, high quality child care is key to an effective poverty reduction strategy. Along with increased welfare rates, a living wage for all, and affordable housing, the \$10aDay Child Care Plan is the single quickest way government can help BC families and their children move out of poverty.



This fact sheet highlights the relationship between the \$10aDay Child Care Plan and a poverty reduction strategy for BC.

1 BC Poverty Reduction Coalition, bcpovertyreduction.ca

2 First Call, *BC Child Poverty Report Card 2016*, citing Statistics Canada.

Experts agree that the \$10aDay Plan will reduce poverty in a number of ways.

Cost of Child Care

Child care fees for children under six are the second highest family expense after housing. The cost of regulated child care services erodes take-home pay for employed parents more than taxes do.

BC has among the highest child care fees in the country. While average undergraduate tuition fees at BC's universities are \$5,118 annually,³ BC families with a 2 year old will pay on average twice as much in child care fees at \$10,800, and those with a 4 year old will pay \$8,640 per year.⁴ Families in large cities such as Vancouver pay even more — \$14,160 in fees for a toddler, while families in Winnipeg pay \$5,412 and in Montreal just \$2,088 per year.⁵

The high cost of child care makes it inaccessible to many middle income families, and completely out of reach for those struggling financially. Families with incomes low enough to qualify for the provincial low-income subsidy often don't have the funds to make up the huge difference between the subsidy and the actual fees. And, the only way some families can get additional help with child care fees is to have an open 'child protection' file.

Children's Development

Poverty undermines children's healthy development, increasing their exposure to food insecurity, substandard housing, family stress and social exclusion. It makes them more vulnerable to chronic disease, school failure, and criminal involvement.

International research demonstrates that a high-quality early care and learning system



The Plan will lower fees dramatically. Full-time care will cost \$10 a day, part-time care \$7 a day, and families with annual incomes under \$40,000 will pay no fees at all.

has immense benefits for children's development in all key areas. This is true for all children, but in particular for those from families with lower socio-economic status.⁶

The research is clear that the quality of care children receive in their early years matters. Only quality child care delivers these developmental benefits.

Early Childhood Educators

Success of a high quality early care and learning system depends on a well-respected, well-educated and fairly-compensated workforce. Yet, on average, BC's college and university trained Early Childhood Educators (ECEs) earn less than a living wage.⁷ ECEs provide services that are vital to the health and well-being of children, families and communities. To attract and keep qualified ECEs, they need to earn wages and benefits that reflect the importance, the challenge and the value of the work they do.

3 Statistics Canada, *Undergraduate tuition fees*.

4 Martha Friendly et al., *Early Childhood Education and Care in Canada 2014*, Childcare Resource and Research Unit.

5 David Macdonald and Thea Klinger, *They Go Up So Fast: 2015 Child Care Fees in Canadian Cities*, 2015, CCPA.

6 Clyde Hertzman, *Making Childhood Development a Priority: Lessons from Vancouver*, 2004, CCPA.

7 *You Bet We Still Care! A Survey of Centre-Based Early Childhood Education and Care in Canada*, 2013. Child Care Human Resources Sector Council.

A Living Wage⁸

The living wage is the hourly rate at which a family with two full-time earners and two young children can meet its basic needs, once government taxes, credits, deductions and subsidies have been taken into account. It is enough to lift families out of poverty and provide a basic level of economic security, but it's based on a bare-bones budget without the extras that many of us take for granted.

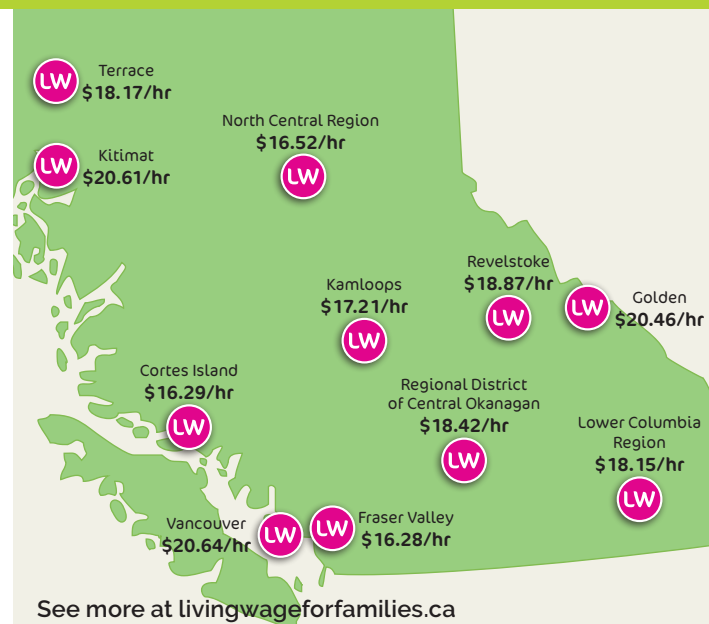
The living wage is calculated based on actual costs in specific communities. The 2016 living wage rate for Metro Vancouver is \$20.64 per hour. Estimates are that at least 25% of families in Metro Vancouver do not earn a living wage. Other communities have also estimated their own living wage (see map).

With the \$10aDay Plan in place, the living wage in Metro Vancouver would go down to \$16.74, making it easier for employers to provide wages and benefits that enable families to earn a living wage.

Government and Business Benefit Too

More people in the paid labour force leads to more tax revenue. Even in the short term, the net benefits of providing early learning and child care programs are evident in examples such as the Quebec model. Research indicates that its provincial \$7 a day child care system (changed to sliding scale in 2016) pays for itself: for every \$1 invested in the Quebec child care program, the provincial and federal governments received \$1.47 in direct returns.⁹

Inaction on child care comes at a price, not only to the families and children themselves but also to the business community. Research from the Human Early Learning Partnership at UBC shows that work-life conflict for parents with young children causes problems for employers, including higher absenteeism, greater turnover, lower productivity, and increased use of extended



health benefits. For those employees with pre-school-aged children, this costs the BC business community \$600 million per year.¹⁰ Investing in affordable, publicly funded child care for families will reduce these costs significantly.

We Can Afford It

Multiple BC-based studies show that the benefits of high quality, affordable child care outweigh the costs. Yet, some politicians still use the tired old response that we can't afford it. Seth Klein, BC Director of the Canadian Centre for Policy Alternatives, shares his analysis of why the Plan is fair and doable, even in the short term:

In 2015, our senior economist Iglia Ivanova modeled how to pay for the \$10aDay Plan, basing her analysis on the Quebec experience.¹¹ She found that, in large part, the plan would pay for itself through higher employment rates for women, who in turn pay income and other taxes. The remaining funding gap can be covered by increasing tax fairness in BC with modest and staged personal

8 Living Wage for Families, www.livingwageforfamilies.ca

9 Iglia Ivanova, *Recap of our 2016 Rosenbluth Lecture with Pierre Fortin*, 2016, CCPA.

10 Kershaw and Anderson, cited in Ivanova, note 11.

11 Iglia Ivanova, *Solving BC's Affordability Crisis in Child Care: Financing the \$10 a Day Plan*, 2015, CCPA.



The \$10aDay Plan can and will help families and children move out of poverty. It is a wise investment that will pay for itself.

income tax increases focused on the top 2 per cent of BC tax-filers, and a one percentage point increase in the corporate income tax rate (since businesses also benefit from a public child care program).

Another recent economic study builds on Ivanova's findings, affirming the Plan's benefits to the economy, employers and families. The C4SE report concludes that the Plan "will provide particularly significant benefits to single mothers, and help many families to leave social assistance, which will reduce income inequality."¹² Clearly, the \$10aDay Child Care Plan is an important and affordable priority for BC.







Conclusion

The Plan can and will help families and children move out of poverty. It is a wise investment that will pay for itself. A fair tax system will provide the revenue government needs to get started. That is why our organizations have endorsed the Plan and are calling on government to implement it as part of a comprehensive poverty reduction strategy.

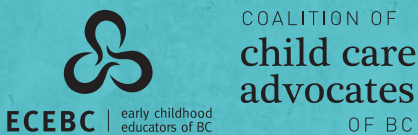
We call on you to do the same.



Visit our website to:

-  Sign the petition
-  Endorse the Plan
-  Donate
-  Volunteer
-  Share on Facebook
10 a day child care campaign
-  Share on Twitter
@10aDayplan
-  Share the Plan with all elected officials in your riding

¹² Robert Fairholm and Lynell Anderson, *Socio-Economic Impact Analysis of the \$10aDay Child Care Plan for British Columbia*, 2017, prepared by the Centre for Spatial Economics for ECEBC.



The Coalition of Child Care Advocates of BC and the Early Childhood Educators of BC advance the \$10aDay Plan in ways that are consistent with their respective mandates and applicable regulatory requirements. Both organizations individually and jointly provide public education about the Plan. As a registered charity, ECEBC also engages in a limited amount of permitted non-partisan advocacy which is directly connected to its charitable public education work. As a registered non-profit society, CCCABC advances the Plan through its advocacy campaign, and at www.10aDay.ca.