

BC Chamber Resolution on Child Care for 2008 AGM

HEALTH

THE ROLE OF CHILD CARE IN ENABLING BRITISH COLUMBIANS TO RE-ENTER OR REMAIN IN THE WORKFORCE

One year after the historic BC Chamber of Commerce resolution on Child Care was passed unanimously at the Chamber's 2007 Annual General Meeting, the business community is once again calling on the Provincial Government to develop and implement a comprehensive Child Care Strategy for BC. To neglect this issue is to neglect a major factor that will help address province-wide labour shortages. The ability to recruit and retain working parents in all industry sectors is underpinned by their ability to secure quality child care. A comprehensive Strategic Plan for the Child Care System in BC is critical to staying competitive in today's global economy.

The reality of our world is that parenting is just part of a host of responsibilities required in a family. If both parents work then the issue of child care is critical. The need for child care in a single working parent family is an essential service. Given this reality the ability of parents to access quality, affordable child care has become an issue of critical importance to families and the businesses that rely on these workers.

The BC government's current funding strategies do not allow child care providers to create sustainable business plans for the future. The costs of this decision is having an enormous, negative impact on the ability of BC businesses to attract women, young families and skilled workers, in general, to the workforce.

With the current skills shortage, attracting and retaining employees is more and more critical to a business' success. The provincial breakdown of business shows that of the 378,700 businesses in BC, 159,800 have fewer than 50 employees¹. For small businesses, it is difficult to attract new workers, or to retain staff as larger firms are able to offer higher pay, better benefits and/or flexible work arrangements.

Many younger families find the challenge of balancing family life with work to be overwhelming. These men and women find entry or lower level wages and the costs of child care are such that it is not in their financial interests to work. This is a limitation to the BC economy when a worker that desires to contribute to the GDP is forced to look at other options to working.

The Chamber understands that for many people, the decision regarding returning to work or remaining in the workforce is a consideration of the net economic benefit of working versus the income loss associated with remaining at home. For working parents, the cost of child care can be a major factor in this equation.

¹ Small Business Profile 2007, Province of British Columbia, Ministry of Small Business and Revenue, http://www.bestats.gov.bc.ca/data/bus_stat/busind/sm_bus/SBP2006.pdf, 2007, p1.

While the Provincial Government has a child care subsidy program in place, the current application form is difficult to understand, and not applicable to low literacy levels. In fact, many families cannot complete the form without assistance. There is confusion about who qualifies to apply and the amount of subsidy that would be received. Ultimately these are barriers that make the current subsidy program inequitable for BC families and lead to delays and frustration. And for some families, the subsidy received would not make returning to or remaining in the workforce a financially practical choice. The federal Child Care Benefit of \$100 per month per child under 6 is often cited as making the difference for these families. However, the Benefit will only support 2.5 days of care per month at the \$5 per hour rate typically charged by licensed child care centres, and many families will also have to pay taxes on that benefit. As well the Benefit allotment does not include children over 6 who also need after school or weekend care.

Child care operating funds for children 3- 5 years of age have also been affected with an average roll-back of approximately \$2 per enrolled child per day or \$40 per month. Since the cuts of 2007, most facilities have been faced with either closure, staff cut-backs (affecting spaces), staff wage reductions and/or increased fees to parents.

Our Child Care Referral and Resource Centers (CCRAs) which provide support, advocacy, and education to child care operators and families have had their budgets significantly cut. These cuts curtailed the CCRAs' ability to provide the support services outlined by government. The cuts also resulted in staff reductions and reduced resources.

The last key factor needing to be addressed is the lack of qualified child care workers. With an average provincial wage rate as low as \$10 an hour without benefits, many workers have left the industry to seek better paying professions. Meanwhile, potential workers are hesitant to commit to training. To earn an Early Childhood Educator certificate requires at minimum, that students complete a one year program, but many colleges offer additional training and semesters for students wanting to enhance their basic training with special needs and infant toddler training. Yet the wage rate offered is hardly reflective of this educational investment. In short, potential students are rightfully reluctant. In response to low enrolment, most colleges have reduced their training programs to part-time or eliminated the training program altogether. The current urgent staffing shortage has become a crisis and licensed facilities are unable to maintain minimum staffing levels. So even if more spaces are created, BC does not have enough qualified workers to care for the children.

The Chamber believes that within the industry a danger exists that government programs can have an impact on the ability of private sector employers to recruit staff. As such The Chamber believes it is critical that government not compete with private operations through programs that pay higher wages to the employees and charge the parents lower fees

THE CHAMBER RECOMMENDS:

STRATEGIC PLAN

That the Provincial Government gives immediate priority to developing, funding and implementing a comprehensive Child Care Strategy for BC. This plan should include the following:

- a. Replacing the current Child Care Subsidy program with a more inclusive and accessible system that would support all parents.
 - i. Establish an expert task force from the child care sector who can help create an equitable child care program. The expert task force would need to further consider questions such as: How can the child care subsidy be made accessible in practice? Can the subsidy application process be expedited by having an “access” person in each community or an equally accessible approach?
- b. The mandate and effectiveness of Child Care Resource Referral Programs be recognized and adequately funded, in order to ensure they provide consistent and appropriate levels of service.
- c. The province should work with the Federal Government to ensure that Child Care Operating Funds are set to 2006 levels as a minimum. Levels should be reviewed and amended on an ongoing basis. This review needs to take into account what a parent earning minimum wage can actually afford and what the actual cost of child care is. Levels for Operating Funds will need to be set with an eye to how these levels impact parent fees. This will create a stronger more sustainable child care industry.
- d. Ensure funding levels allow CRRs to create one-stop, HUB-style access for parents in need of child care. Staff CRRs so that personnel have time to assist parents in completing child care subsidy forms and have time to provide effective information and referrals.
- e. Provide capital funding to support new or enhanced facilities to increase additional spaces.
- f. Make active efforts to recruit and retain child care workers, in our increasingly competitive and mobile labour market, by:
 - i. Determining methods to actively promote careers in child care, through tools such as the Ministry of Education’s Career Planner.
 - ii. Raise standards designating who qualifies for careers in child care.
 - iii. Increase funds to support competitive wages and benefits for the industry in keeping with industries of comparable importance such as primary school teaching and nursing.

- g. Design strategies to raise awareness about the potential damage unlicensed or substandard child care can do to young children.
- h. Review licensing requirements for all licensed centres. Refer particular areas of concern to the expert task force who in turn can establish the exact standards that should be implemented, including the following :
 - 1. square footage space required per child
 - 2. number of children who can be cared for by an ECE
 - 3. the maximum number of children allowed per child care group
- i. For all licensed child care centres, institute quality audits with built in learning and improvement processes commonly used in quality management systems. Use this process to review root causes of difficulties and to help all child care personnel do their work better. Fund a quality assurance position within CCRRs that supports high quality child care but that is not punitive.

SUBMITTED BY THE CAMPBELL RIVER AND DISTRICT CHAMBER OF
COMMERCE AND DISTRICT 8