



CUPE NOVA SCOTIA
SUBMISSION TO THE DEPARTMENT OF EDUCATION AND
EARLY CHILDHOOD DEVELOPMENT

REVIEW OF REGULATED CHILD CARE

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CUPE NOVA SCOTIA

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INTRODUCTION

Early childhood education and care (ECEC) is a priority issue for the Canadian Union of Public Employees (CUPE). We welcome the opportunity to submit recommendations to the Department of Education and Early Childhood Development's review of regulated child care in Nova Scotia.¹

CUPE is Canada's largest union. In Nova Scotia, CUPE represents more than 19,000 front-line public sector workers who work in a variety of sectors throughout the province: education, healthcare, elderly and child care, municipal government, community services, transportation, and post-secondary education.

CUPE is a Canada-wide champion of ECEC. Many of our members are parents who need child care in order to participate in the workforce or pursue training and educational opportunities. Our members know first-hand how difficult it is to secure regulated child care spaces in rural communities or for non-standard working hours.

CUPE also represents child care staff in collective bargaining units across Canada. We are the leading child care union in Nova Scotia, representing early childhood educators and other child care staff working in non-profit centers in two CUPE Locals: Local 3688 - Bridgewater Day Care Centre and Local 4745 - Early Childhood Educators of Nova Scotia.

CUPE is a key player in child care advocacy Canada-wide and in Nova Scotia. CUPE and its partners in the child care community, social justice groups, teachers, nurses and other unions have advocated for universal high quality child care for more than 30 years. Publicly-funded, publicly delivered and not-for-profit child care is a key component in furthering a social justice agenda, one recognized in multiple United Nations agreements addressing poverty, women's equality and the rights of the child.

As part of a coalition of Canadian unions and child care advocates, CUPE will be actively participating in a week of action from May 10 to 17, 2015, where events across the country will celebrate child care as a public good and call for a child care system that will provide all families with high quality care they can afford.

CUPE NOVA SCOTIA RECOMMENDATIONS

CUPE Nova Scotia recommends that the Department of Education and Early Childhood Development build a long-term plan to move to a public/not-for-profit universally accessible, high quality early education and child care system that is publicly managed, publicly funded and publicly accountable.

In the short term, CUPE Nova Scotia recommends that the Department of Education and Early Childhood Development:

- Increase the number of regulated child care spaces in Nova Scotia
- Place a cap on parent fees
- Establish a wage grid for Early Childhood Educators (ECEs).

CURRENT ISSUES

In Canada today, there is no national ECEC program or policy. Each province/territory has its own child care policy and provides spaces in centres and regulated family child care; most also regulate nursery schools/preschools. These are supported by a variety of funding arrangements. Each jurisdiction also provides publicly-funded kindergarten, mostly for five year-olds.

Over the years, province/territories, local governments and early childhood organizations have developed many ECEC initiatives aimed at expanding access, improving quality, restructuring public funding, and strengthening training and policy.

Despite these efforts, high quality child care remains in limited supply and financially out of reach for the majority of families. Reliance on unregulated child care is widespread.

Canada's dependence on a child care market – in which governments take limited responsibility – is the key reason for this country-wide patchwork of high user fees, inconsistent program quality, and service gaps. Canada is globally one of the world's wealthiest countries but international organizations like UNICEF and the OECD rank Canada last when it comes to ECEC.

The current situation in Nova Scotia unfortunately mirrors the weaknesses in the national picture.

NOVA SCOTIA NUMBERS

The number of regulated child care spaces is low and wait lists are too long. Only 23.9 % of all Nova Scotian children between the ages of 0 and 5 years of age are covered by a regulated centre-based child care space.ⁱⁱ Coverage decreases for children between 0-12 years, to 15.1%.

The cost of regulated child care in Nova Scotia is high. Monthly parent fees average \$825.00 for infants, \$694.00 for toddlers and \$685.00 for preschoolers. In contrast, provincial governments in PEI, Quebec and Manitoba set province-wide maximum parent fees.

In British Columbia, The Coalition of Childcare Advocates of BC and the Early Childhood Educators of BC have secured wide-spread public support for their \$10/day Child Care Plan aimed at supporting children's development and ensuring parents can afford enough employment time to manage the rising cost of housing and stalled household incomes.ⁱⁱⁱ

Nova Scotia's limited public policy around ECEC and increasing reliance on commercial operators shortchanges young children of development opportunities, makes it far harder for parents, especially women, to participate in the work force and places significant financial barriers on young families.

CUPE recommends that the provincial government increase the number of child care spaces in Nova Scotia and place a cap on parent fees.

THE LIMITATIONS OF FOR-PROFIT PROVIDERS

For-profit child care spaces are increasing in Nova Scotia facilitated by a provincial funding formula that allows for-profit providers to access public dollars. It was not always this way. Prior to 2000, Liberal governments in Nova Scotia did not permit for-profit child care centres to access fee subsidies. After 2000, the provincial Conservative government changed the policy allowing for-profits to access subsidies as well as the operational funding of Supported Child Care and Child Care Stabilization Grants. In 2005, Nova Scotia was one of only four provinces to permit federal funding to be used to develop for-profit centres.

More than half of Nova Scotia's child care spaces are now in the for-profit sector. Between 2010 and 2012, 73 per cent of the expansion in child care spaces was in the for-profit sector.^{iv}

Nova Scotia's experience with increased funding to commercial operators underscores the limits of public monies subsidizing private ventures; between April 1, 2011 and March 31, 2012, 18 centres closed (16 commercial, two non-profit) and 16 centres opened (11 commercial, five non - profit). The sudden closure of a child care centre is an enormously stressful event for parents who depend on that service. ^v

The Nova Scotia governments own data shows that the supported child care grant is significantly higher in budgets for non-profit centres (this grant is intended for special needs children). This raises some troubling questions regarding the ability for commercial operators to include children with a range of abilities and it is a policy quagmire for the government because it indicates that the non-profit centres are more inclusive; the commercial operators, not so much.

While the provincial experience to date has been with regional chains and small-scale for-profit operators, this could shift quickly to big-box child care corporations if well-financed companies decide to come in. The experience in the US, Australia and the UK suggests that this can happen quickly and, once large child care corporations are well established, they exert influence on government regulations and policies such as parental leave and parent fees. As well, we believe it is inappropriate that public funds for child care are used to create profits and real estate acquisition for owners and shareholders.

A strong commercial presence also brings the potential of challenges under trade agreements. Foreign corporate providers could insist on equal treatment with public and community providers, requiring schools and other public sponsors to accept a corporate presence.

In polling and public consultations, parents say that the difficulty of arranging child care and the high cost have prevented them from taking full-time work or pursuing education/training. Clearly the current model is not working well for parents or children.

QUALITY CHILD CARE IS PUBLIC OR NON-PROFIT CHILD CARE

Staffing is the "backbone" of quality child care. Considerable research throughout Canada and internationally indicates that quality is likely to be higher when the operator is a public or non-profit agency. When owners or shareholders seek higher profits, cost cutting is primarily in the area of staffing, whether wages, benefits or ratios, and this impacts the quality of care.

CUPE believes that systems that are both publicly funded and publicly delivered are those most likely to break down the silos to blend early childhood education and child care into one seamless program. Local public authorities – in education, municipal government or ECEC-specific authorities - are in the best position to deliver high-quality early-learning services in an equitable and affordable way to parents.

A public system is more likely to navigate the complex funding and legislative arrangements with First Nations and federal and provincial governments to address inequities in Aboriginal programming. Further, a public system will lead to a decrease in the over-representation of Aboriginal children in state care, which should be a priority for all provincial governments.

A public system lends itself to solid planning, target setting, accountability, ongoing quality improvement and evaluation. Finally, well-designed public ECEC systems can support diversity of approach and innovative programming through local delivery, a democratic approach that includes parents, and various program options.

The evidence shows clearly that public and public-managed systems are not about "one size fits all" but about doing the very best for children and families.

PUBLIC INVESTMENTS IN CHILD CARE MAKE ECONOMIC SENSE

Early childhood education is economic development with a high rate of return.

As recent studies document, public investments in early care and learning systems pay for themselves:

- **Biggest job creator:** Investing \$1 million in child care would create at least 40 jobs; 43 per cent more jobs than the next highest industry and four times the number of jobs generated by \$1 million in construction spending.
- **Strong economic stimulus:** Every dollar invested in child care increases the economy's output (GDP) by \$2.23. This is one of the highest GDP multipliers of all major sectors.
- **Tax generator:** Earnings from increased employment would send back 90 cents in tax revenues to federal and provincial governments for every dollar invested, meaning investment in child care virtually pays for itself.

A 2011 report by Robert Fairholm from the Centre for Spatial Economics confirmed that expansion in the early learning and care sector will provide more short-term economic stimulus in Nova Scotia than other major sectors of the economy. ^{vi}

Economist Pierre Fortin and colleagues from the Université de Sherbrooke studied Quebec's popular, universal \$7-a-day child care program and concluded that the tax revenues from mothers who are able to work because of low-cost children's programming pay for the entire cost of Quebec's system.

Employment figures for Quebec show an increase of as much as nine per cent in the number of mothers of who found employment in the years following the 1997 introduction of Quebec's publicly-funded child care program, a rate of increase far greater than in the rest of Canada for the same period.

Fortin's analysis found that in 2008, 70,000 more Quebec women were at work because of low-cost child care. As of 2008, more than 60 per cent of Quebec children ages 1 - 4 years had access to \$7-a-day, state-subsidized child care. By comparison, in other provinces in 2006, only 18 per cent of children in this age group were in a licensed program.

The employment benefits of public child care are particularly compelling for those with lower levels of education and for single parents, where the social benefits of increased employment and incomes are significant. More specifically, the median after-tax income of single-mother families in Quebec shot up by 81 per cent.

For every dollar Quebec spends on child care programs, \$1.05 is returned in the form of higher tax revenues and lower spending for the provincial government, with an additional 44 cent benefit returned to the federal government.

More recently, a 2012 study by TD Economics recommended that public spending on child care become a top priority. It concluded that the widespread and long-lasting economic, social, and health benefits for children and society far outweighed the costs. It also noted that Canada is last among its peer countries in public spending on child care.^{vii}

INVESTING IN THE WORKFORCE

Availability of qualified staff to develop and deliver programs in child care settings is essential to a strong and effective system of regulated child care.

Multiple studies over the last two decades have demonstrated that there is a strong link between early childhood educator wages, staff stability and the quality of services.^{viii} Research shows that the surest way to improve program quality is to ensure that early childhood educators are adequately compensated.

Nova Scotia has the dubious distinction of having the lowest wages for ECE workers in the country. The median hourly wage was \$12.84 in 2012.

Low salaries for early childhood educators in Nova Scotia have resulted in poor morale, job dissatisfaction and high staff turnover. Early childhood educators are leaving the child care field and replacements cannot be recruited which has an on-going negative impact on staff consistency and stability, and program quality.

The Nova Scotia Child Care Association has called for the establishment of minimum salary guidelines pointing out that 69% of Nova Scotia's centre-based early childhood educators and assistants have a post – secondary credential (diploma or degree).^{ix}

CUPE recommends that the province consider establishing a minimum salary grid to raise the salaries of early childhood educators. This would need to be constructed so as not to negatively impact the collective bargaining rights of unionized workers in the sector or the wages and benefits they have negotiated.

Manitoba and Prince Edward Island have ECE salary grids that could guide the Department in the development of a Nova Scotia salary grid. In Newfoundland Labrador as well, the Association of Early Childhood Educators (AECENL) Early Childhood Education Human Resource Council (ECEHRC), Family Child Care Connections (FCCC) and Provincial Association of Childcare Administrators Licentiate (PACAL) have called for the establishment of a minimum salary grid for ECEs in their province.^x

If parents' fees are capped without also implementing a provincial wage grid for salaries, in the context of a predominantly commercialized sector, then profits will be derived from wages and exclusivity.

ECEs also need on-going professional development and mentoring opportunities, particularly in the area of special needs. Given the recent provincial austerity budget CUPE wants to take this opportunity to emphasize that training for ECEs must continue to be delivered by public educational institutions, not private companies.

A LONG-TERM VISION FOR CHILD CARE

In the long term, CUPE Nova Scotia urges the provincial government to seize the opportunity to build a child care legacy for future generations beginning with two main principles:

1. **Universal accessibility:** All families have access to an affordable program in their community that supports their employment needs and is appropriate for them.
2. **High quality:** All programs would be of quality high enough to enhance children's development and to provide a good quality of life for children.

To meet these principles, Early Childhood Education and Care programs would be:

- staffed by qualified, well-paid early childhood-educated teachers, and would be educational in a non-didactic, play-based sense;
- based on the most forward-thinking early childhood education pedagogy (broadly educational in the "whole child" sense, not narrowly restricted to "school readiness" goals);
- multifunctional in that they would provide care in parents' absence, early childhood education, and family support at the same time (for example, by incorporating child care, nursery school, kindergarten and family resource programs);
- available to children in families with a parent at home (perhaps for a shorter day) and those with parents in the labour force, training or education;
- offer parents a reasonable choice of high-quality, centre-based or well-supported family child care services (these would be non-compulsory, available on a full-day or part-time basis, full-year basis and would offer flexible hours within reason, as the parents choose); and
- be part of a planned, sustained, well-resourced, publicly-funded, publicly-managed and provincially-organized system everywhere in Nova Scotia.

There would probably be parent fees (at least for portions of programs or for certain age groups) but programs would be affordable and accessible to all, supported through a global funding approach, not by subsidies on behalf of individual families, or vouchers.

Rather than relying on parents, volunteers or entrepreneurs to initiate, fund and operate programs, ECEC would be publicly managed and primarily publicly delivered.

Programs would be responsive to and involve parents, and would be shaped and delivered at the local level.

In order to ensure public accountability for public funds and ensure that programs are most likely to be high quality, expansion and public funding would be directed only to public - and community-based not-for-profit ECEC programs.

Consistent with Canadian values, programs would include families and children across the socio- economic spectrum and cultural diversity would be respected.

Children with disabilities would be fully included.

ECEC programs, whether in the public education system or under another public or quasi-public auspice, would constitute a flexible, multifaceted "system" rather than a loose collection of free-standing programs.

The ECEC system for children aged 0 -12 years would be under the auspice of one government department- preferably Education, in an Early Learning and Care division.

The ECEC system would be supported by ongoing data collection and analysis, research and evaluation of policies and services.

These principles inform CUPE's response to the Department's review of the regulated child care in Nova Scotia.

CONCLUSION

CUPE hopes that the views put forward in this response will be considered as Nova Scotia moves forward in building early learning and child care services. We are hopeful that the Department will continue to provide opportunities for input on the provincial child care strategy. CUPE looks forward to continuing to work with our partners in the child care community, social justice groups, teachers, nurses and other unions to achieve universal access, public funding, public management and not-for-profit ownership of child care programs in Nova Scotia.

ⁱ Nova Scotia Department of Education and Early Childhood Development, News Releases “Review of Regulated Child Care to Begin”, January 8, 2015 and “Government Seeking Input From Families, Parents on Child-Care System”, April 21, 2015.

ⁱⁱ Data is from the annual snapshot of the state of child care in Canada collected by the Childcare Resource and Research Unit, Toronto. The most recent reliable data is for 2012. Website: <http://www.childcarecanada.org/>

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- iii Coalition of Child Care Advocates of BC and Early Childhood Educators of BC, *Community Plan for a Public System of Integrated Early Care and Learning, Fifth Edition*, Fall 2014. Available at: <http://www.cccabc.bc.ca/10-a-day-plan-material/>
- iv TABLE 7. Non-profit and for-profit child care spaces and percent of expansion that was in the for-profit sector, 2010 and 2012 in Carolyn Ferns and Martha Friendly, *Moving Child Care Forward: The State of Early Childhood and Care in Canada 2012*, June 2014 accessed at <http://childcarecanada.org/publications/ecec-canada/14/06/state-early-childhood-education-and-care-canada-2012> .
- v "Making Life Better for Families," Presentation by Deputy Minister of Community Services to the Nova Scotia Standing Committee on Community Services, February 5, 2013.
- vi Robert Fairholm, *Short-term impact analysis of an expansion of regulated early learning and care in Nova Scotia*, Centre for Spatial Economics, December 2011 accessed at: <http://childcarecanada.org/documents/research-policy-practice/11/12/short-term-impact-analysis-expansion-regulated-early-learn>i
- vii TD Economics, *Special Report, Early Childhood Education Has Widespread and Long Lasting Benefits*, November 27, 2012 accessed at: http://www.thestar.com/business/2012/11/26/td_economics_says_child_care_should_be_a_top_spending_priority_for_governments_after_deficits_eliminated.html
- viii The Childcare Resource and Research Unit has an excellent searchable document database on their website at <http://www.childcarecanada.org/> as does The Atkinson Centre for Society and Child Development at <http://www.oise.utoronto.ca/atkinson/Main/index.html>.
- ix Nova Scotia Child Care Association, *Position Paper: ECE and Child Care in Nova Scotia*, November 2014.
- x See for example the *Joint Response Paper to the Department of Child, Youth and Family Services 10-Year Child Care Strategy - Consultation Discussion Guide* submitted by the Association of Early Childhood Educators (AECENL), Early Childhood Education Human Resource Council (ECEHRC), Family Child Care Connections (FCCC) and Provincial Association of Childcare Administrators Licentiate (PACAL), February 2012 accessed at the AECENL website <http://www.aecenl.ca/>