

Q's and A's about Federal Funding for Child Care



How does the federal government provide funds to provinces/territories for child care?

Ottawa provides transfer payments to the provinces and territories for **early childhood development** and **early childhood learning and child care** through two agreements: the *Early Childhood Development Agreement* and the *Multilateral Framework on Early Childhood Learning and Child Care*. Ottawa also provides money for health care, post secondary education, social assistance and other social services through transfer payments.

What is the Early Childhood Development Agreement (ECDA)?

[also called the Early Childhood Development Initiative, or ECDI]

In 2000, the ECDA was signed by the provinces*, territories and federal government. Ottawa provided a total of \$2.2 billion over five years for the provinces and territories to improve and expand early childhood programs and services.

(*Quebec accepts its share of this funding and maintains sole responsibility over its social policy.)

The ECDA allows the provinces and territories to decide exactly how and what to spend the funds on in any or all of the following areas:

- promoting healthy pregnancy, birth and infancy;
- parenting and family supports;
- strengthening early childhood development and care; and
- strengthening community supports.

Did we expect the ECDA funds to contribute to improvements for families wanting/needing access to regulated and licensed child care?

Yes.

Is the ECDA funding contributing to improvements in child care?

It depends on where you live and your provincial/territorial government's commitment to child care. In some provinces and territories, a significant portion of this federal funding is complementing provincial child care spending. While the limited federal funds are only enough to make small improvements in some aspects of child care, families in some provinces report noticeable improvements.

However, in other regions, governments have chosen to primarily spend the money on three of the four key areas. They are excluding child care or using very little of these funds to improve the availability, affordability and quality of licensed and regulated child care. In one province, the federal funds are partially replacing child care funding previously provided by the province, and the result is that fewer and fewer families are able to access quality licensed child care.

What is the Multilateral Framework on Early Learning and Child Care?

In March, 2003 the federal government promised a total of \$935 million over 5 years in federal support for early learning and child care through the *Multilateral Framework on Early Childhood Learning and Child Care*. It was signed by 9 provinces and 3 territories.

(*Quebec accepts its share of this funding and maintains sole responsibility over its social policy.)

- These funds are over and above the federal dollars that provinces and territories currently receive under the Early Childhood Development Agreement.
- The framework states that \$900 million of these funds are to be spent on regulated programs "...that meet quality standards that are established and monitored by provincial/territorial governments." \$35 million is allocated for Aboriginal children.
- Funding is expected to primarily improve direct care in regulated programs, e.g., child care centres, family child care/day homes and preschools/nursery schools.
- Public reporting is supposed to include information on provincial/territorial spending on all early learning and child care programs and services and on availability, affordability and quality of child care.

Are the promises of the Multilateral Framework making child care more inclusive, more affordable and better quality? Is it increasing the number of licensed spaces to meet the needs of more children?

The Multilateral Framework on Early Learning and Child Care is a small, but politically important, first step towards building a pan-Canadian child care program.

- The framework reflects key guiding principles that child care advocates have articulated for many years (e.g., child care should be accessible, affordable, quality and inclusive).
- There is acknowledgement that spending should be sustained over the long-term.

However:

- The program only addresses child care for children under the age of six years and thus leaves out funding for school aged children needing child care.
- There are no targets and timelines which means that the provinces and territories are not accountable for achieving any benchmarks or goals.
- A total of \$935 million does not come close to meeting the child care crisis and critical needs of Canada's children and families. Even the child care advocates within the Social Policy Committee of the National Liberal Party Caucus called for \$10.9 billion over 4 years for a pan-Canadian child care program. For years, many European countries have allocated significantly more for their publicly funded child care systems.

What's Next?

You may want to know more about how your provincial/territorial government is using the federal funds. Have the promises been met? Are there more opportunities for children and families in your community to access more quality, accessible and inclusive child care spaces/programs?

What more is needed to meet the real child care needs in your area?

You can ask your elected representatives – what are the federal and provincial/territorial budgetary commitments for child care in the next five years?

More information is available at:

www.childcareadvocacy.ca and www.parentvoices.ca

Campaign 2000, *Diversity or Disparity*:

<http://www.campaign2000.ca/ci/rep03/CIreport03.pdf>

Federal transfers to Provinces and Territories:

<http://www.fin.gc.ca/activty/fedprov-e.html>

<http://www.fin.gc.ca/FEDPROV/chse.html>

Early Childhood Development Agreement:

http://www.hc-sc.gc.ca/english/media/releases/2001/2001_126ebk.htm

Multilateral Framework:

http://socialunion.gc.ca/ecd-framework_e.htm

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