

Caring About Employability

The **Child Care Advocacy Association of Canada** commends the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities (HUMA) for undertaking its study of critical employability issues. We appreciate the opportunity to demonstrate the links between employability and child care.

Founded in 1983, the CCAAC promotes quality, inclusive, publicly funded, non-profit child care accessible to all. The association's membership reaches more than 4,000,000 Canadians, including parents, caregivers, researchers and students as well as women's, anti-poverty, labour, social justice, disability and rural organizations.

Relating to several of the employability issues mentioned in the study's terms of reference, we offer the following evidence that ***child care supports the employability of parents while at the same time helping provide children with the foundations for lifelong health, learning and skill development.***

❖ **Child Care supports the employability of parents, particularly mothers, immediately and on an ongoing basis**

In the immediate term, child care is a tremendous support to families because it allows parents, particularly women, to increase their labour force attachment. Canada's productivity relies on working mothers with young children, who contribute \$53 billion annually to Canada's GDP.¹ That reliance is only increasing due to widely predicted shortages of skilled labour.

Yet Canada has not built a network of income supports and public services, such as quality affordable child care, to broadly facilitate women's economic and social contribution. The *National Child Care Study* (1988) confirmed that it is overwhelmingly mothers who make child care arrangements and scramble when they fall apart. **Labour market surveys find that mothers are most likely to refuse work, promotions or transfers because of family responsibilities.**²

When Canadian families do not have access to quality care, our labour force and our employability suffer. With women now the majority in virtually all university programs, decreased labour force attachment among mothers exacerbates **skilled worker shortages**. Not only must parents decrease their labour force attachment in the short term when there are no other viable child care options, but their future employability is also affected when they miss education, professional development and advancement opportunities.

Further, like schools and libraries, child care helps to build places in which citizens want to live and work, and thus supports the **mobility of the Canadian labour force**. Child care that is

¹ Canadian Council on Social Development (CCSD)

² Statistics Canada, *General Social Survey*. 2001.

inclusive and integrated in communities promotes the social, economic, gender, cultural and ethnic harmony Canadians value. It helps provide a welcome to new residents from both outside and within the country, and supports their participation in a new community. When child care is not adequately supported in all provinces and regions, families may be reluctant to make otherwise desirable moves, or alternatively, will seek transfers when it otherwise would have made sense to stay.

Finally, the committee will hear depositions about issues related to **older workers** and here again child care can be relevant. It is sometimes grandparents who provide necessary child care. As the Canadian population ages, and workers stay in the labour force longer, there is likely to be even greater need for publicly supported community-based care.

❖ **Child Care provides children with the foundations for lifelong health, learning and skill development – all related to their future employability**

The evidence supporting public investment through program spending to develop a pan-Canadian child care system is clear and compelling:

- The early years from birth to age six set the foundation for school readiness (**literacy**), lifelong learning, behaviour and health (CCSD).
- All children benefit from quality early learning and child care, not just targeted groups of children, and all parents can use information and support to help them raise healthy, well-adjusted and resilient human beings (CCSD).

Public support for child care is therefore an investment in our future and helps ensure **future employability** of the Canadian labour force.

Clearly parents do everything they can to provide their children with a healthy, enriching start to life. Without supportive child care policy, they make do. Mothers forgo paid work while their children are young, even those who would prefer to be in the labour force. Spouses work opposite shifts. Others do double duty and work from home. Still others call on relatives or patch together a variety of informal care arrangements.

What makes the case for universal, publicly-supported, quality accessible child care so compelling, and so relevant to the issue of employability, is that it **meets the needs of children and parents**. This explains why multiple studies show that benefits of a universal child care system outweigh the costs by a factor of **2 to 1**, not including additional benefits for children at-risk.

❖ **A focused public investment in quality, universal services is required**

As discussed in the CCAAC's submission to the 2007 Pre-Budget Consultation Committee, the federal government is terminating the bilateral agreements that committed \$1.2 billion annually in dedicated funding to improve child care services. These agreements are being replaced with capital incentives estimated at \$250 million annually. While these incentives are not yet fully defined, already there are concerns about how they will play out in communities – particularly given the fact that **the current federal government's child care capital spaces initiative represents an annual funding cut of \$950 million for child care services, or 79%**.

❖ **To build the child care system that Canadians want and need, the CCAAC therefore calls on the federal government to adopt the following focused investment strategy:**

1. Restore and increase sustained, long-term federal funding to the provinces and territories. Federal transfers must be specifically dedicated to improving and expanding child care services, based on provincial and territorial commitments to advance quality, inclusion and affordability.
2. Enact federal child care legislation that recognizes the principles of a pan-Canadian child care system, makes the federal government accountable to Parliament with respect to child care funding and policy, and respects Quebec and First Nations' rights to establish their own child care systems.
3. Redirect the capital incentives for child care spaces to dedicated capital transfers for the provinces and territories to use to build child care services that communities prioritize, own, deliver and account for.
4. Provide effective income supports for Canadian families by incorporating the current taxable family allowance into the Canada Child Tax Benefit.

In order to capture the numerous benefits of public child care investments, **including the employability benefits described above**, the federal government needs to restore and increase its public investment substantially beyond the recently-terminated bilateral commitment of \$5 billion over 5 years, and sustain this funding over the long term. Working with the provinces and territories, this public funding must be accompanied by a focused investment strategy – that is, by public policy and accountability requirements for community service providers and all levels of government that will advance a range of quality, inclusive, affordable, community-based child care services across Canada.