

SMOKE AND MIRRORS? OR A NEW FEDERAL GOVERNMENT CHILD CARE PLAN

Secrétariat NATIONAL Off

The federal government's new Child Care "Strategy" fails to provide leadership to a new national child care system; fails to provide sufficient funding to fulfill its own promises; and even fails to provide a better program than currently exists.

Instead, the federal government has completely abdicated any leadership role in the establishment of a comprehensive system of child care whilst trying to maintain the illusion that a bold new step has been taken with massive public funds to support it. Like the Shirley Martin Report, this latest initiative directs most of the funding to providing individuals with tax "relief".

The federal government argues that the program will provide greater flexibility to provinces and the ability to cost-share capital grants, but these benefits are minor compared to the overwhelming problems contained in the new strategy:

1. The Federal Government has not put forward a plan to build an accessible, affordable, high quality, non-profit child care system in Canada.
2. The one clear guideline that has emerged has been negative: The federal government is willing to spend federal funds to subsidize care in commercial day care as well as in non-profit day care.
3. Most of the federal government spending on child care is directed to tax relief for families instead of building a child care system.
4. The new tax money for child care assistance is, in any event, less than the money the federal government has taken away from families with children through other tax measures. It is estimated that changes in the taxation system will result in \$900 million less going to families in 1988. Despite the additional \$300 million available to families with children under 7 (as contained in the new Child Care Strategy), families with children will still be experiencing a net loss in their tax position.
5. The \$3 billion allocated for federal-provincial cost-sharing over seven years will amount to less than the federal government would have had to contribute if it had continued to fund child care through the Canada Assistance Plan, based on the average rate of growth in recent years.
6. The \$3 billion allocated to federal-provincial spending on individual subsidies to low and middle-income families,



capital and operating grants will not be sufficient to accomplish what Mr. Epp says it will. Even assuming that costs don't rise, Mr. Epp will need an additional \$1.5 billion to fund these programs.

7. The Cooke Task Force, the Martin Report, the Equality for All Committee and the Abella Commission have all in recent years recommended extended parental and extended maternity leave benefits, and yet the federal government ignored these recommendations and made no change.

Many of the specifics have yet to be worked out. What is very clear, however, is that this program is not a national child care strategy, but, in fact, a national disaster!

The federal timetable is, supposedly, as follows:

December and January: Bilateral negotiations with the provinces and territories on the specific details of the plan for each province.
January, 1988: Michael Wilson to introduce tax proposals.
February, 1988: Introduction of new Child Care legislation for first reading.
April, 1988: Passing Child Care Act and flowing of funds.

Because this new government "strategy" is so negative, we hope to be able to oppose these measures and stall any damaging legislation until after a federal election.

Please make sure, therefore, that you write letters to Jake Epp, Michael Wilson, Brian Mulroney, and your local MPs. Please copy your letters to John Turner and Ed Broadbent. Also, write letters and arrange meetings with your provincial premiers, social service ministers and provincial representatives. Letters to the Editor of your local newspapers would also be useful.

The NAC Child Care Committee will be developing further action plans for mobilizing opposition to the federal proposals in the next few weeks and we will keep you posted.

A longer explanation of the above problems is available on request. Please contact Sue Colley (416-532-4031/416-767-5546) for more information.

In the meantime, SEASON'S GREETINGS.

Susan Colley
NAC Child Care Committee

Federal Government's National Child Care Strategy

- * An average of \$428 million per year (up to \$3 billion over 7 years) to be spent under a new Canada Child Care Act which would replace the child care provisions of the Canada Assistance Plan. This new program would provide cost-sharing of subsidies to low and middle-income families, operational funds for profit as well as non-profit spaces, and enriched cost-sharing (75% federal) for capital expenditures on non-profit child care.

- * Additional tax expenditures of \$329 million per year (\$2.3 billion over 7 years) which will:
 1. Double the maximum child care deduction to \$4,000 per child under seven or having special needs;
 2. Remove the overall limit of \$8,000 per family on the child care deduction.
 3. Increase the refundable child tax credit by \$200 per child under seven for low and middle-income families who do not claim the child care deduction.

(This amount does not include the current cost of the child care expense deduction. In 1986, \$175 million was already being spent on the child care expense deduction. Over seven years this would total over \$1.2 billion, bringing the total cost of the federal government's tax measures to \$3.5 billion over 7 years.)

- * About \$14 million per year (\$100 million over 7 years) for a Child Care Special Initiatives Fund for research and public awareness programs on child care, giving priority to practical proposals designed to meet special child care needs and to test innovative approaches to providing child care services.

Rec'd 2/29/88

NATIONAL CHILD CARE STRATEGY

AN ACTION PLAN

Presented by the National Action Committee on the Status of Women

THE PROPOSAL

The proposal is to organize a cross-country campaign to demonstrate opposition to the federal government's national strategy on child care.

The idea is to create a "Chain Album" which crosses the country, making at least one stop in each province. It would be designed around the theme of "No More Smoke and Mirrors, Mr. Mulroney"; we want a Real Child Care Plan".

Communities across the country would be asked to take photos of children in child care centres (or without daycare) to be added to the album. At each stop, the communities would hopefully organize an activity at which they would compile the album and send it on. Supporters would be asked to depict "Children affected by the federal government's proposal" in the album, together with short, appropriate messages. The activities would range from a public meeting discussing these events, to open houses at child care centres, to which the press would be invited, etc.

Other communities in the country would also be asked to contribute to the photomontage and send contributions to a central address for later additions to the album. An exhibition in Ottawa would be organized. It would be scheduled to be opened on April 22nd when the Chain Album would arrive back in Ottawa and the three leaders would be asked to come and open the exhibition.

THE PROBLEM

On December 3, 1987, the federal government proposed a new "National Strategy on Child Care", which contemplated:

1. Introducing new tax measures to:
 - (a) double the maximum child care deduction to \$4,000 per child under 7;
 - (b) remove the overall limit of \$8,000 per family on the child care deduction;



- (c) increase the refundable child tax credit by \$200 per child under 7 for low and middle-income families who don't claim the child care deduction;
- 2. Cost-share an average of \$428 million per year (up to \$3 billion over 7 years) to be spent under a new Child Care Act which would replace the current provisions of the Canada Assistance Plan.
- 3. Cost-share up to \$14 million per year for a child care special initiatives fund for research and public awareness programs on child care.

These proposals will not deliver a high quality non-profit, comprehensive child care system and, in fact, will not make the child care system in Canada any better than it is at present.

The federal child care proposals have drawn criticism from the child care, social services and women's movements across Canada, but so far the strength of the opposition to these proposals has not been coordinated so that it presents a united opposition.

THE OBJECTIVE

The political objective of the campaign is to create a clear, visible opposition across the country to the federal government's child care proposals and to create enough public pressure to force the Mulroney Government to drop or stall implementation.

The organizational objective of the campaign is to provide a unified focus for every individual involved in the child care movement in a highly visible series of actions across the country.

WHY A CHAIN ALBUM?

The Chain Album provides child care activists with a focus. It will help them to provide opportunities to discuss the issues raised by the federal proposals and organize community and press events in their own communities. Media can interview parents and child care workers who are contributing to the album

Because the album will be very visible and imitate the momentum of the Olympic Torch, it will give the impression of a cross-country movement for a better child care system.

An album day, if it is well-organized, gives everyone who opposes the federal proposals a way to get involved. It offers various levels of involvement from developing a project at a local child care centre, to organizing the community around the child care issue, to organizing a media event, to sending in a

picture.

THE PLAN

The National Action Committee on the Status of Women will coordinate this campaign. The Campaign will fall into three sections:

1. Chain Album passing from one provincial centre to another and the organizing of an event for community media and politicians.
2. Child care supporters across the country preparing and sending in photos and messages to be added to the final exhibition.
3. April 22nd opening of exhibition in Ottawa and presentation of the album to the three leaders.

THE SCHEDULE

January 18-29

Design format of albums

Produce albums

Letter explaining campaign to be sent across country to child care activists, asking for involvement by taking pictures of children in their community who will be affected by the federal child care proposals. Preparing to have album session in their communities. Letter will be accompanied by brief explaining problems with federal plan; sample press releases; instructions about format for photos and message; ideas about events, etc.

Key centres will be telephoned to ask whether they will participate.

NAC to coordinate chain in association with organizations across the country.

January 29

Album sent out and chain begins.

January 29-April 22

Chain Album travels across country from province to province. NAC to work with centres to assist them with logistical problems and planning of actions.

April 22

Opening of Exhibition in Ottawa. Lunch time reception inviting three leaders to open Exhibition and comment. Press invited.

THE BUDGET

Design and production of Album	\$500
Staff person (2 days x 7 weeks)	1,500
Telephone	500
Leaflet	1,500
Letter to child care community	1,000
Postage	2,000
Courier	<u>500</u>
Total:	<u>\$7,500</u>

We have tentative commitment from NAC, the OFL and the Ontario Coalition for Better Child Care, but will need to find funding for a substantial portion of this budget.

We also need a place to host the Exhibition and hold the Reception.

Please endorse and support this Campaign.

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