

## SECTION 7

# Create a New Child Care Capital Program



In 2011, the Coalition of Child Care Advocates of BC and the Early Childhood Educators of BC created the *Community Plan for a Public System of Integrated Early Care and Learning*, popularly known and widely supported as the \$10aDay Plan. Ten years later we released our Roadmap; a framework detailing the next steps of \$10aDay implementation.

Now, with significant new \$10aDay child care commitments from the provincial and federal governments, we have updated the Roadmap and made it more accessible through individual, policy focused sections. This section details how government can create a new child care capital program.

The entire Roadmap to \$10aDay can be found at [10aday.ca/roadmap](https://10aday.ca/roadmap)

**THE ELECTION COMMITMENT** to adopt a new approach to the expansion of child care — with the Ministry of Education managing a capital investment program — is critical to building a sustainable public system. Government must replace the one-off, reactive grant application process for creating new spaces and replace it with a system building approach.

Recently, there has been significant progress for child care:

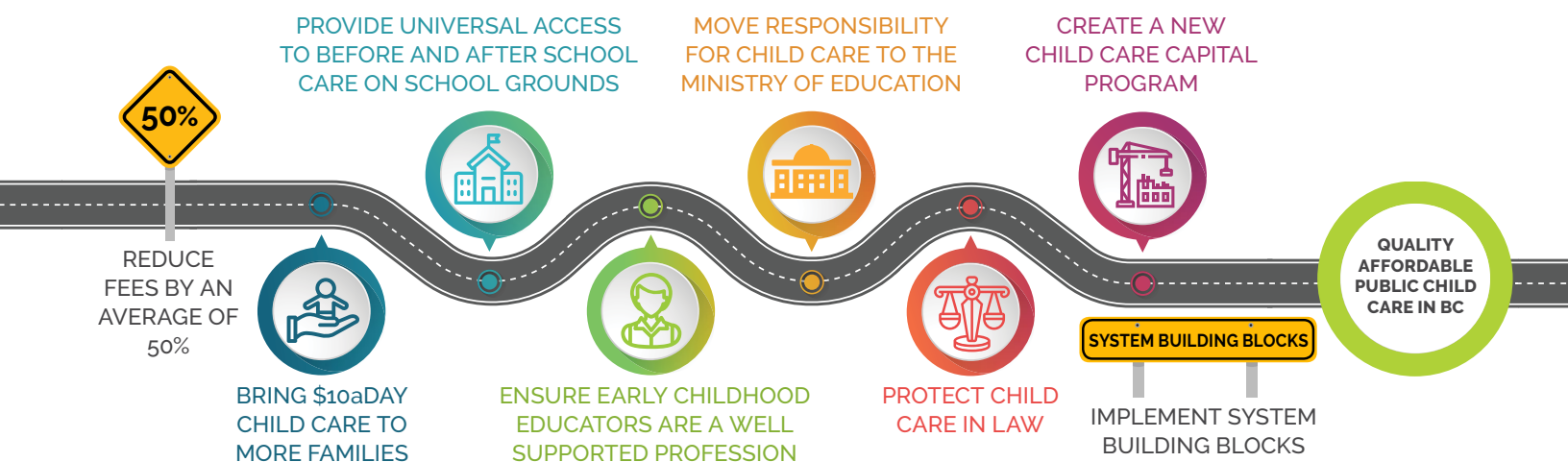
- Under the bilateral Early Learning and Child Care Agreement with the federal government, capital funds to create 30,000 new spaces over five years (40,000 over seven years) will be invested only in public, non-profit, and Indigenous-led child care; and
- The provincial 2021 call for applications for capital expansion through the Childcare BC New Spaces Fund was, for the first time, open only to public, non-profit, and Indigenous-led child care.

These changes align with provincial commitments to develop a capital plan and modular strategy; to work toward universal access to school-age care on school grounds; and to ensure that, where possible, new public capital projects include child care.

From 2018 to 2021, BC's one-off and reactive New Spaces Fund predictably incentivized significant growth of for-profit child care as this program allowed public funds to be used to help purchase, construct, renovate, and/or furnish private assets. Among other concerns, this approach undermined government's attempts to improve affordability. A 2020 study of fees in major Canadian cities confirmed that fees in the five BC cities studied were between 20 and 60 per cent higher in for-profit programs as compared to non-profit programs.<sup>1</sup>

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1 Iglika Ivanova and Lynell Anderson, Now is the time for BC to double down on commitment to \$10-a-day child care, CCPA-BC Policynote, March 18, 2021.



The Roadmap providing a level of policy detail required to create a quality system for BC. Download it at [10aday.ca/roadmap](https://10aday.ca/roadmap)

While the practice of providing public capital funds for the acquisition of privately owned facilities has finally come to an end, government will need to ensure that public operating funds do not continue to pay the mortgage or leasing costs of privately owned facilities (see Section 2 of the Roadmap).

The reactive and competitive nature of the current New Spaces Fund grants continues to exacerbate ad hoc expansion without strong community planning or parallel workforce recruitment and retention strategies. And these new spaces grants continue to be funded through the child care operating budget, instead of a capital budget like other public systems. This approach reduced the operating funds available to lower fees, raise wages, and improve quality.

We propose a **multi-year child care capital budget and planning process** to develop publicly owned child care facilities that will:

- Advance cost-effective use of public funds by supporting economies of scale, consistent high quality standards, and public planning to ensure facilities meet community needs;
- Minimize public risk by ensuring that child care facilities are available and managed for the long term and not subject to risks associated with privately owned facilities (e.g., sale, insolvency, change of use);
- Reduce overall costs of the public system as programs in privately owned facilities — often for-profits — typically have significant mortgage/lease costs, resulting in higher parent fees and lower educator wages than in public/non-profit programs; and
- Help achieve government's climate goals — through public infrastructure investments in local, green child care facilities (accessible by walking, biking, and public transit) and creating new climate sustaining employment.

Instead, government must enshrine its recent policy of providing public capital funds only for the acquisition of non-profit, public, and Indigenous government assets. Evidence from long-term senior care confirms the risks associated with relying on for-profit provision of caring services.

We recommend that government implement **a multi-pronged approach** to deliver on this commitment.

- Undertake a **province-wide inventory** of existing child care facilities, confirming ownership, occupancy levels, capacity for expansion, and outstanding financial obligations (e.g. mortgage, lease agreement). The inventory will enable government to:
  - » Begin expansion of \$10aDay programs in identified public and non-profit facilities without significant mortgages or leases (see Section 2);
  - » Assess the long-term liabilities associated with child care programs located in privately owned facilities and begin resolving these challenges (see also Section 2); and
  - » Identify where, with additional resources, existing public or non-profit facilities have the capacity to increase enrollment and/or expand child care services in existing or new facilities.
- Establish **a multi-year major capital budget** for child care separate from the child care operating budget. This budget must be used for the development of public, non-profit, and Indigenous-led child care.
- Ensure dedicated capital funds for **child care developed by Indigenous governments** and Indigenous non-profit societies. Policies and priorities for these funds must be developed under Indigenous leadership, respecting the models developed by and for both on-reserve and urban child care, including Aboriginal Head Start.
- Establish a provincial **child care capital resource team** with child care planning and development expertise. As child care moves from a market-based system to a public system, it is essential that government develop consistent standards for high quality facilities that meet public requirements for energy efficiency and climate resiliency. This team can support school districts, regional offices, local governments, and communities to undertake child care capital expansion and support the consistent inclusion of child care in public infrastructure projects.
- Institute a consistent and comparable community **child care capital planning process**. Through the Union of BC Municipalities, child care planning has begun in many but not all communities. And evolving plans are not consistent, comparable, or integrated into a province-wide child care capital plan. Based on child population and participation projections, community plans must be grounded in the comprehensive inventory of existing facilities described above. The plan must be integrated into the Ministry of Education with annual targets to achieve the promise of an accessible \$10aDay child care system.
- License kindergarten/primary **classrooms for before and after school-care**. As outlined in our recommendations for providing universal access to school-age care on school grounds (see Section 3) this is the most rapid and cost-effective way to increase child care spaces. Through the expedited licensing protocol (that must not erode quality), the current Rapid Renovation Fund can be used to cover minimal costs required to make these spaces appropriate for extended day use.
- Develop and implement the **modular child care strategy**. As promised in the bilateral agreement, custom-designed, high quality, publicly-funded child care modular buildings should be located on public property to meet immediate child care needs while longer term planning occurs. To ensure quality and efficiency, consistent standards should be applied to bulk purchases.

## TIMELINE for creating a new child care capital program

### PHASE 1 (January to December 2022)

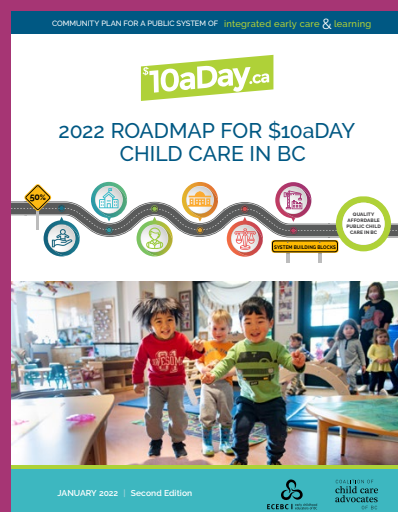
- Complete the inventory of current child care facilities.
- Replace the current new spaces fund with a capital budget within the Ministry of Education.
- Develop a provincial capital resource team.
- Revise the current \$40,000 per space cap on public funding as required to incorporate consistent standards for high-quality, climate resilient facilities.
- Develop and begin to implement a modular strategy and work with school districts to expand licensing of appropriate classrooms for school age care to meet immediate targets.

### PHASE 2 (January 2023 to March 2026)

- Develop and implement consistent planning processes.
- Use the capital budget and planning process to deliver 30,000-plus non-profit, public, and Indigenous spaces. ■



Download the full timeline for the Roadmap at [10aday.ca/roadmap](https://10aday.ca/roadmap)



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## 2022 ROADMAP FOR \$10aDAY CHILD CARE IN BC

Second Edition | January 2022

*We put the Roadmap forward in full support of the rights and jurisdiction of First Nations, Inuit, and Métis Peoples to design, develop, and deliver early care and learning services that meet their needs. We commit to listen and learn in our ongoing work to decolonize our own practices and perspectives.*

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