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Mr. Massimo Pacetti

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• (1305)

[English]

The Chair (Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.)): Good afternoon, everybody. I'd just like to thank the witnesses for coming by today and giving us their time to present us with their briefs. The way it works is we're going to allow you a seven- to eight-minute opening presentation. There are a lot of you, so if we can keep it to that time limit, I would appreciate it. I don't want to cut you off, because I understand you're making a presentation and you're trying to make a point.

Then we're going to have the members ask questions, so I want to allow them some time to ask those questions to the witnesses.

[Translation]

The committee is meeting pursuant to Standing Order 83.1 for 2005 pre-budget consultations.

[English]

I have a list here of the witnesses who are going to speak. In the order I have here, it's the British Columbia Child Care Advocacy Forum, Ms. Chudnovsky.

Hi Rita. Go ahead.

Mrs. Rita Chudnovsky (Facilitator, British Columbia Child Care Advocacy Forum): First of all, we'd like to thank you and the members of the committee for the opportunity to speak this afternoon.

I am here today representing the B.C. Child Care Advocacy Forum, an alliance of six B.C. child care organizations that represent a wide spectrum of child care services. Since 1999 the member organizations of the advocacy forum have been working together to advance a common vision and agenda for child care services in British Columbia. We actually have copies of that available for you today. We'll pass these along.

I am joined today by Pat Frouws, the executive director of Simon Fraser University Childcare Society, the organization that sponsors the work of the advocacy forum. We are also joined by Wendy Bayard, who represents the Western Canada Family Child Care Association, one of our six member organizations at the forum table. Wendy is sitting in the public seating.

Over the last year there have been significant developments related to child care. Needless to say, we are pleased that the federal government is following through on some of its child-care-related election promises, including the commitment to transfer \$5 billion over five years to provinces and territories to begin building a child

care system. However, the work of building a high-quality child care system that meets the needs of children and families across Canada is far from over; in fact, it is just beginning.

We are here today to present two very clear and simple messages. First is the need for adequate sustained funding. Under the agreement signed between British Columbia and the federal government a few weeks ago, British Columbia will receive \$633 million over five years. This is enough to begin to make a real difference, but not enough to create and sustain the child care system we need.

The limited five-year time commitment poses a real challenge in B.C. Here and elsewhere, provincial governments use this as a rationale for not making fundamental changes in the way child care is funded. But fundamental changes are required to move from the current user fee system of child care to the publicly funded system that is able to deliver on the promised quad principles. Our first recommendation, therefore, is that the federal government make a commitment now to sustain and increase its financial commitment to building a quality child care system.

This leads me to our second and perhaps most pressing point, which is accountability. From our experience in British Columbia over the last four years, it is clear that moving forward not only depends on the amount of money but on how the dollars are used.

B.C. provides the most graphic illustration of why accountability measures are essential. Between 2001 and 2004, B.C. received almost \$250 million from the federal government for early childhood development programs, including child care. During that same time period, B.C. cut \$40 million from its own spending on child care. Further, B.C. is now 11 months late in releasing its 2003-04 report on how it spent federal funds received under the early childhood development agreement and related multilateral framework.

We have repeatedly brought these concerns to the federal government, but under the terms of existing and new agreements there is little, if anything, the federal government can do. We are told that the agreements hold governments accountable to their public, so it is up to us.

Regrettably, the new federal-provincial agreement on early learning and child care gives us little confidence that things will change in B.C. Accountability measures are weak. We anticipate that federal dollars will continue to replace provincial cuts, will be used on narrowly defined early learning programs that do not meet the needs of working and studying families, or will continue to support the least regulated, cheapest form of care. This approach will not deliver the child care system the federal government promised and that Canadians have a right to expect will be delivered.

The dollars for year one are already here, but the B.C.-Canada agreement does commit the province to developing an action plan for years two through five of the agreement. This action plan will be the basis for detailed negotiations about the rest of the federal funding.

Our second recommendation, therefore, is for the federal government to strengthen accountability measures for years two through five, to ensure that provinces use the funds to supplement their own spending and to move away from a user fee system to a publicly funded child care system that meets the diverse needs of Canadians.

Thank you for your time. We'll be happy to answer any questions.

• (1310)

The Chair: Thank you.

From the City of Vancouver I have Ms. Davidson.

Ms. Sheila Davidson (Child and Youth Advocate, City of Vancouver): Hello. I'm actually the child and youth advocate with the City of Vancouver. I'm not a councillor. I would prefer if Councillor Anne Roberts started first with the brief on child care.

The Chair: Fine. Thank you.

Ms. Roberts.

Ms. Anne Roberts (City councillor, City of Vancouver): Thank you. We appreciate this opportunity to speak to you today. Our goal in presenting to you is to address issues affecting children, youth, and their families in the city of Vancouver and to make recommendations on how to improve their lives. Vancouver is home to 101,255 children and youth under the age of 19. With the addition of the 20 to 24 age group, the total becomes 142,000. It's home to a diverse immigrant population comprising 45% overall, with an aboriginal population of 1.9%.

The City of Vancouver has two long-standing policies that affect how we influence the child and youth agenda in our city. In 1990, council approved a civic child care strategy to build a comprehensive not-for-profit child care system based on the principles of quality and accessibility. The City of Vancouver is committed to being an active partner with senior levels of government, parents, the private sector, and the community in the development and maintenance of a comprehensive child care system.

We were very encouraged to see the federal government commit \$5 billion over the next five years to develop a national system of early learning and child care. Our civic youth strategy, approved by council in 1995, commits the city to involving youth as active partners in the development, assessment, and delivery of civic

services that have a direct impact on youth and in broad spectrum community consultations and initiatives.

This brief will address three pressing issues regarding children and youth in our city: one, affordable, accessible quality child care; two, child poverty; and three, housing for youth, especially supported housing and transitional housing.

Vancouver has been a leader in the development and provision of child care since 1990. The city commits \$1 million annually to child care programs, which include inner city sustaining grants, program enhancement grants, administration of city-owned building and city-wide support services.

For capital investments we've currently committed \$57 million, with \$112 million projected for 2010. Vancouver is committed to the vision of a child care system of high quality that is accessible to all families, when they need it, and meets the needs of our diverse citizens and communities. To that end, Vancouver City Council has approved a number of motions directed largely at the provincial government and the federal government to take on these responsibilities

While the City of Vancouver is encouraged by the recent signing of the federal-provincial agreement in principle, we recommend the following in order for this agreement to truly meet the goals of the four quad principles: one, the federal government closely monitor provincial spending by strengthening public accountability requirements to include, at a minimum, public reporting to the legislature, as endorsed by the Child Care Advocacy Association of Canada; two, to develop legislation that supports expansion of regulated child care in the non-profit sector; and last, to increase child care funding to provinces and territories toward the goal of spending 1% of Canada's GDP on child care service and delivery.

I'll now turn it over to Sheila Davidson, our child and youth advocate.

Ms. Sheila Davidson: Thank you, Anne.

I'd also like to let you know that Caitlin Padgett, the youth advocate mentor, is sitting in the public gallery, I guess it's called. Thank you.

Vancouver is home to approximately one third of all children and youth in the province of B.C., and while child poverty rates are decreasing in every area of Canada except for Nova Scotia, in 2003, B.C. led the way for the highest number of children living in poverty.

Canada committed itself, through the United Nations, to ensure that child poverty in Canada be eradicated by the year 2000. That year is now behind us, yet still too many of our children continue to live in substandard housing, with poor parents who are often unable to provide the absolute basics for their children. We believe Canada needs to move to the front of the line and show the leadership necessary to ensure that child poverty is truly eradicated.

We recommend the following: work with the provinces to ensure an adequate minimum wage for workers; raise the maximum benefit under the Canada child tax benefit to \$4,900 per child by 2007; negotiate with the provinces to stop the clawback of the national child benefit supplement of people with children who are on social assistance; and examine how changes to employment insurance can be made in order to ensure that low-income parents are more able to take advantage of the full benefits of maternity and parental leave.

I'd now like to talk about housing. According to a recent count of homeless people, homelessness in Vancouver has doubled since 2001. Besides developing actions as a city, Vancouver works in collaboration with members of the greater Vancouver regional steering committee on homelessness and supports the three major policy directives of adequate income, support services, and affordable housing of the document "Three Ways to Home". In June of 2005, Vancouver City Council approved the recommendations of our revised homeless action plan, which we have attached to this submission.

We recommend the following to you: that in conjunction with the City of Vancouver, the federal and provincial governments give high priority to the funding of 3,200 supportive housing units and 600 transitional housing units, as identified in the city's homeless action plan; that the provincial government provide funding for services to support individuals and families in these units; that the federal government commit further dollars to the development of social and affordable housing, especially in large urban centres where the cost of housing is so prohibitive that low-income families are forced into a life of substandard housing.

In the last budget, the federal government committed \$1.6 billion over two years to address housing in Vancouver. While our homeless situation grows, we still have not received confirmation from the federal government of how that funding will flow or how these dollars will be managed.

In particular, in Vancouver we have needs around youth housing, and while we appreciate that youth housing clearly falls within the mandate of the provincial government, we also recognize that the federal government has a responsibility through targeting and disbursement of housing dollars.

Due to our mild climate and belief that Vancouver is the hub of youth culture, our city has a large community of transient and/or homeless youth or youth at risk of homelessness. It is important to note that youth homelessness is often indicative of family dysfunction, abuse, sexual exploitation, and lack of formalized education. Drug use, in particular crystal methamphetamines, also contributes to the complexity of the homelessness situation, though we recognize that it is often used as a buffer to the situation, not always as a contributor.

• (1315)

All three levels of government have a responsibility and a role to play in ensuring that we stop this lack of regard for our youth and find ways to solve this situation. We know the interests of Canada's children and youth are important to our elected officials in Ottawa. We congratulate our federal government for moving ahead with funding for a national child care program, and we urge you to keep children at the top of your agenda.

Thank you for the opportunity to speak with you today.

The Chair: Thank you, Ms. Davidson.

I'm wondering about recommendation 2 on page 3 of your submission, about the maximum child tax benefit going to \$4,900. Do you know how much that would cost? According to my calculations, it would be a lot of money.

• (1320)

Ms. Sheila Davidson: I'm sorry, I don't have the actual cost of what it would cost in tax dollars. I think as elected officials, though, you have a responsibility to address the needs of children, and when we know that one in six children in Canada is living in poverty, obviously what's happening today is not good enough. Thank you.

The Chair: Thank you.

Next is Mrs. Harney, from the Coalition of Child Care Advocates of British Columbia.

Mrs. Susan Harney (Chairperson, Coalition of Child Care Advocates of British Columbia): Thank you. Actually, Sharon Gregson is going to present for us.

The Chair: Fine. Please go ahead, Ms. Gregson.

Ms. Sharon Gregson (Chairperson, Coalition of Child Care Advocates of British Columbia): Thank you very much for the opportunity to present to the committee today. I just want to reassure those MPs who are not from B.C. that it is totally unusual for us to have this much wet weather in October.

I'm with the Coalition of Child Care Advocates of B.C. We're a voluntary, not-for-profit organization of parents, child care workers, and interested citizens, including many grandparents and community organizations. Our advocacy is substantiated by international and local research that shows that a universal approach to quality child care promotes healthy child development at the same time as it supports families and their workforce participation, reduces child poverty, advances women's equality, deepens social inclusion, and builds a knowledge-based economy.

We applaud the 2004 consultation process leading to the 2005 budget and the finance committee's comments and recommendations acknowledging that governments must work together in funding and delivering initiatives that will meet the needs of children; that Canadians expect and deserve a coordinated effort by their governments; and that many of the initiatives require that the federal and provincial/territorial governments work together to implement needed solutions, since the initiatives involve shared jurisdiction.

Specifically, through that process, we endorse recommendation 27, which says:

The federal government, along with interested provincial/territorial governments, at the earliest opportunity announce initiatives to reduce child poverty. These initiatives should include a national, accessible, affordable, high-quality, publicly funded, publicly regulated, not-for-profit child care system.

I almost could have written it myself.

While the finance committee expressed confidence in the 2005 report that the “federal and provincial/territorial governments—which share the same goals regarding Canada’s children—will be able to work together cooperatively”, our experience and our observations demonstrate to us that there is still much more critical work for the federal government to do to accomplish these goals and to make sure that B.C. and other provinces are 100% accountable for the use of our federal funds. We need to build a publicly funded, quality child care system that supplements rather than replaces provincial dollars.

Based on extensive research and experience, we believe that building a sustainable pan-Canadian child care system will take a fundamental shift in the current approach to child care. It will take sustainable and sufficient federal funding. And yes, the dollar amount is not small, as you alluded to from the previous presenter addressing these issues, but the cost of not doing it is even greater. We believe that a well-designed policy will transform the current patchwork of services. I think that many of us who’ve been advocating for child care for many years have moved beyond apologizing for the dollar amount that a quality child care system will cost, and now we’re explaining to Canadians and Canadians are understanding the importance of building such a system.

We need to move from the current user pay and subsidy patchwork system.

We need to guarantee that new federal money will be provided in order to supplement provincial funding, not replace it.

We need to enshrine the principles of early learning and child care in legislation and introduce standards that guarantee quality.

We need to dedicate a separate funding stream for a new federal transfer to provinces to ensure that stability and adequate funding continues.

We need to agree that all expansion takes place through public and not-for-profit delivery, with existing for-profit programs grand-parented. For us, that’s particularly important, given the implications of NAFTA and what’s happened in Australia.

We need to tie provincial and territorial accountability to five-year plans that include goals and objectives, timelines and targets, review and evaluation. As a previous presenter mentioned, it’s simply not acceptable to the public to wait over 11 months for a report from the provincial government on how they’ve been spending federal funds.

Our recommendations and our view on taxation. It isn’t always popular to talk about taxes, and we feel that many Canadians have lost sight of the connection between the taxes we pay and the vital services we receive. But as we have learned in B.C., big tax cuts mean service cuts and increased user fees, which impact negatively on low- and moderate-income families, particularly those with young children.

• (1325)

We need to build a quality, publicly funded, community-delivered child care system in Canada. We need to appreciate that sometimes it makes sense to pay for things collectively rather than individually, and that as Canadians we have a long and proud history of collectively providing vital public services.

We think it makes sense to invest in a child care system through the tax system now because families are usually at their lowest earning power when their children are young. When they most need child care they are least able to afford it. Children’s development is time sensitive and can’t wait for increased earning potential of their parents, and the benefits of investing in child care now outweigh the costs and will lead to future increased tax revenues.

It is important to remember the context for these reports is that now the Vanier Institute of the Family reports that 83% of women with children are in the paid workforce and yet we only have enough regulated child care spaces in this country for about 12% of our children.

The final comment would be that the earlier we invest in our children, the longer we will all reap the benefits.

Thank you.

The Chair: Thank you, Ms. Gregson.

From the Institute for Media, Policy and Civil Society, Ms. Sylvester.

Mrs. Shauna Sylvester (Executive Director, Institute for Media, Policy and Civil Society): Thank you, Mr. Chair, honourable members.

Thank you so much for inviting IMPACS to speak before you today.

My name is Shauna Sylvester and I’m the executive director of IMPACS, the Institute for Media, Policy and Civil Society, and I’m with our legal counsel, Richard Bridge.

It’s the 1 o’clock session and you’ve just come back from lunch. For us it’s generally the “groan zone”, a time when it’s perhaps more difficult to focus in on the recommendations, so I thought I would start with a bit of a quiz.

I’ll just ask you what you think the following organizations have in common: Fédération internationale de l’action des chrétiens pour l’abolition de la torture, which is Action by Christians for the Abolition of Torture; Notre-Dame-de-Grâce Neighbourhood Association; Positive Action Against Pornography; United Nations Association of Canada; and the Friends of Clayoquot Sound.

Are they (a), all headquartered in Montreal; (b) have they received money through the sponsorship funds; or (c) have they lost or were they denied charitable status? That’s right, it’s (c). They all lost or were denied charitable status because their activities were considered too political by the Canada Revenue Agency, and in four cases by the Federal Court of Appeal as well.

If we look at l’action des chrétiens pour l’abolition de la torture, in that particular situation it was the letters they were writing to governments overseas protesting torture that caused them to be considered too political.

So this is an issue we're bringing forward. There are four issues we've focused on in our brief, and I know you have it, but I would like to focus on this issue because it's within the purview of the Standing Committee on Finance to change this. It's a small amendment to the Income Tax Act that we're looking for, and not a costly one at that.

In 2000, IMPACS, with the Canadian Centre for Philanthropy, looked at this issue in some detail. We asked the question, is it really that much of a problem for charities in Canada? And we commissioned a paper, "The Law of Advocacy by Charitable Organizations", which was written by my colleague, Richard Bridge. We looked at various options for remedying the problem.

One of those options was keeping the status quo. And then we went across Canada to 17 communities in nine provinces and two territories and we asked Canadians, is this a problem? We had expected, to some extent, for charities to say, yes, it's a problem, but so is financing and so are other things.

We were shocked at what we heard. It was not just an issue that this was a technical problem. This was fundamental to the nature of democracy in this country. There was a sense across Canada that the number of those who had access to the political process, to the public decision-making process, was very limited.

Here you have charities, the one group in our society that is mandated to protect the public good—they must meet public benefit—who are the only part of our society that were restricted in their ability to engage in public policy. If charities use more than 10% of their human and financial resources, they can lose their charitable status.

Let's look at that in relationship to public policy issues. Let's look at the Kyoto accord and what happened in that debate in Canada. It was a 100% pre-tax writeoff for those companies that engaged in that debate. We're not taking issue with that. It was a cost of doing business. But the charities that engaged in that debate, if they used more than 10% of their human and financial resources, could jeopardize losing their charitable status.

When we finished that tour we took our report public. That was in March 2001. We did a low-ball media strategy. We didn't expect it to be much of a media story and we were shocked. It was the lead story above the fold in the *Globe and Mail*, the lead story in the *National Post*. We did 20 interviews that first day and every major daily picked up an editorial in favour of our position.

What issue in Canada has the *National Post* and the *Globe and Mail* agreeing? This is an issue of incredible importance to Canadians because it drives at the very heart of our democracy and who gets to speak out.

● (1330)

If we look at Canadians' attitudes to this issue, we see that 94% believe charities are important to Canadians; 95% consider speaking out on issues like environment, poverty, and health care as an acceptable role for charities; and 78% agree that this law needs to be changed. Those are fairly high numbers. In fact the same survey was done two years previously and the numbers were lower. We didn't want that survey repeated because we already had high numbers. We didn't think they could go much higher, and they went as high as five

percentage points in two years. So Canadians clearly support a change to this law.

So why as members of Parliament would you want to change this law? After all, why do you want more people knocking on your door? Well, it's the nature of democracy that we need to hear from a variety of views and issues. We need a whole range of ideas brought to our table. You as MPs are the people who make those decisions, and you need to know you're getting the best information.

Let's look at what charities are. They're at the front line of every social and environmental issue that we have in this country. We've heard today from at least two organizations that are on the front lines of child care issues. They know and understand the issues. They bring voices of the marginalized, who may feel that they're not part of the public process, together to the fore. They foster civic engagement. If we look at some of the discussions around the democratic deficit, this is a big issue in Canada. And they are a source of problem solving and innovation. Look at the ideas that have come forward and ask where the sources of most of our social policies originated. If we could hear from them and they could speak out, I think we would have more problems solved.

Part of the problem is that charities are relegated to addressing the symptoms. Look at the Canadian Cancer Society. They'll tell you that the dollars they have spent in trying to deal with tobacco laws have been far better in terms of dealing with cancer rates than the palliative care that they've had to provide. It's not that this isn't extremely important, but if you leave charities at the realm of dealing with symptoms, you're not going to address the root causes.

So what's the remedy we're looking for? It's very simple. We've tried and pursued the administrative solution, and I thank Minister Caplan, when she was minister of revenue, for bringing in new administrative solutions. There have been changes and they have been good changes, but they did not deal with the fundamental issue: the 10% rule.

The courts want legislative direction. Judges want legislative direction on this issue. They want our members of Parliament to take a stand on the charities issue. We're asking for a legislative amendment. We've provided you with section 149.1 of the Income Tax Act. We're asking you to either get rid of 12 offending words or rewrite that section of the Income Tax Act to recognize that charities are an important part of our democracy in Canada.

We're not asking for very much. In fact, we're not even asking you to go as far as Britain has. We just want to bring ourselves in line with other common law countries. I should point out that in relation to other jurisdictions we're one of the most restricted in the world. So we would like to see ourselves come in line, where as long as a charity's activities do not dominate, as long as they are within the mandate of the charity and they are non-partisan and within the control of the boards of directors, the charities should be able to have the choice of choosing the leverages they feel are necessary to bring about public good.

We'd like to ask you this year in your report to make a very strong recommendation to change the Income Tax Act and provide us with the leadership we need.

Thank you.

• (1335)

The Chair: Thank you, Ms. Sylvester.

Now it's the Kids First Parents Association of Canada, Ms. Ward.

Ms. Helen Ward (President, Kids First Parent Association of Canada): Thank you.

Kids First is 100% volunteer run. We receive no government funding, no funding from labour, and no funding from corporations. On the other hand, the day care lobby is dependent on government funding, in particular from HRDC and from Social Development Canada. We are part of a growing national and international Fund the Child Coalition.

My task today is twofold: to present our main recommendation regarding improving our productivity and standard of living; and to expose the campaign of misinformation put out by the day care lobby.

The state has no place in the child care decisions of the nation, nor does the OECD or the World Bank. This was the position of the Liberal Party in 1999. Our main recommendation is that we will improve our productivity and standard of living by putting all the money for early learning and child care into a universal child benefit to be administered by Revenue Canada. We're not talking about tax deductions or non-refundable tax credits, because these are of little or no benefit to low-income families such as mine. You get far more bang for your taxpayers' buck by funding families rather than by preferentially funding government-regulated day care centres from birth. By funding families, you empower the high productivity, high efficiency, unpaid early learning and child care sector. You cut out the middle man and the administrative fat that day care requires. You recognize and support the social and entrepreneurial capital of all early learning and child care, paid and unpaid, in its amazing diversity in Canada. The patchwork can be a beautiful thing and it's not low quality.

Regarding exposing the misinformation campaign, the emperor has no clothes, if you actually look at this. First, the Child Care Advocacy Association of Canada's submission to you claims that they have over 140,000 members. As of yesterday, their website said they had 750 members, including organizations. Maybe they could clarify that.

Second, they claim there is overwhelming evidence for the demand for day care. Well, there isn't. They claim that 90% of Canadians favour a national child care program. The Canadian Policy Research Networks, which has been involved in similar polls, explains how this type of massive consensus is derived. The term "child care" is intentionally undefined in order to get this consensus, so they're not talking about preferentially funding day care. Child care can include funding for families who have a so-called stay-at-home mother or any other form. That's how they get this consensus.

A more useful poll is the 2000 COMPAS poll, which asked the question whether the money should go to parents so they can choose their choices and fund themselves, if they want to do that, or go to day care to lower their fees. Nine out of 10 Canadians said fund the families.

They say there's a shortage of day care spaces in Canada. There is not. There is a surplus. The *You Bet I Care!* survey, which cost nearly a million dollars, was released in the year 2000, done by the day care research lobbyists, and they say that the majority of day cares in Canada have vacancies, and the overall vacancy rate is over 8%. Let's read the overwhelming research and actually see what it says.

They say funding day care preferentially will reduce child poverty. This affects me personally, as I have one of those children living in so-called poverty. The evidence shows no correlation between higher day care expenditures and lower rates of low income in Canada. For example, Alberta and P.E.I. have the lowest per capita expenditures on day care and also the lowest low-income cutoff rates. Low-income rates were lowered when the child tax benefit was increased. If you have a universal child benefit, that will lower them even further.

They say that preferentially funding day care will increase mothers' labour force participation. Again, there is no correlation between higher rates of funding for day care and higher rates of labour force participation for mothers. For example, low-expenditure P.E.I. has by far the highest labour force participation rates.

There is another problem with this whole labour force participation concept. The fact is, increasing labour force participation is a meaningless goal because it is a meaningless statistic. Specifically, we are told that 70% or 80%—or whatever it is—of mothers are in the paid workforce or working outside the home, but labour force participation as measured by Stats Canada is defined to include those who do any paid work; there is no minimum amount of money or time spent. For example, my friend who does one hour of teaching a week in a pottery studio is included in that. It includes those who do unpaid work on a family farm or in a business. It includes those who have a full- or part-time paid job, but are not doing it—for example, my sister-in-law took a year of unpaid leave from her post office job in order to be with her children. It includes those who do paid work full time or part time with their children present, such as those in the growing number of home-based offices, in-home day cares, or in what I have, an in-home music studio. It also includes those who are unemployed and on EI. It includes those who say they are looking for work, so it includes a single mother of three who has been kicked off welfare and is desperately seeking any job available. In short, the 70% statistic on which this policy is largely premised is a totally bogus, non-fact.

• (1340)

Fourth, they say the cost in 15 years for a high quality universal day care system will be \$10 billion, or 1% of GDP. This is a gross underestimate. Let's look at Sweden, which currently spends U.S. \$25,000 per family of 1.5 children that uses day care. Extrapolating this figure to Canada's population of zero- to five-year-olds gives you well over \$40 billion, which does not include children six to twelve and out-of-school care, and it does not take into account providing a quality program.

On quality, we agree that early learning and child care, or ECEC—child care and early childhood education—or early child development, or whatever you want to call it, is good for children and is necessary. Children die if they're not cared for and if they don't learn. Of course, quality care and learning help to build our social and human capital, but again, we have a serious problem with the terminology. Defining child care as non-parental care, as has been done, and further defining it to exclude all forms of children's care and learning outside licensed day care and pre-school, is offensive to Canadians and is not supported by a shred of evidence. Who here wants to tell the parents, grandparents, babysitters, music teachers, and hockey coaches of Canada that the care and learning they provide is of low quality?

The *You Bet I Care!* study also addressed the issue of quality and found that the majority of licensed day care in Canada “is of minimal to mediocre quality”. And according to Gillian Doherty, who was involved in this study, it is not providing adequate cognitive and language development for the children in it.

Sweden is held to be the model for day care by the OECD, yet the OECD itself says that the quality there is a big problem. The ministry of education in Sweden, which is responsible for the day care there, reported last year that the quality of care has been sacrificed to financial considerations, to the point that children's care and learning and long-term learning are being jeopardized. The ratio of staff to children is the key issue here. In Sweden we now have a situation where one staff person is responsible for 10 to 22 children aged 1 to

3. In Quebec, that system—which we're trying to put across the country—is following in Sweden's tracks regarding the ratios. They've increased the staff-to-child ratios there so that one staff person is now allowed to care for eight one-year-old children. That's one staff for eight infants. This will not provide quality care; this will not provide good human capital formation.

Next, we are told over and over again that every dollar invested in day care will save \$2 to \$7 in the long run. This is put out by day care economists Cleveland and Krashinski of the University of Toronto, and even these gentlemen do not recommend the inclusion of children under two in the system. Their bizarre hypothesis has not been peer reviewed and is not shared by any other economists. I'd be happy to expose these economists' misogynistic view of the worth of women's contribution to society and expose their magical math and expose their gross misrepresentation of research in the question time.

To conclude, you cannot have a day care system that is both high quality and universal. There are inherent excess costs in day care that make it unproductive, inefficient, and of low quality. There are huge staffing issues for day care. There are training costs. There are the issues of dealing with the hygiene, health and safety concerns—dealing with the bacteria concerns. There are inspections; there's monitoring; there's administration; there are massive capital costs. By funding the child, you empower and expand the existing, vibrant system that is diverse, high quality, efficient, Canadian, and equitable.

• (1345)

Thank you very much.

The Chair: Thank you.

Next is the Planned Lifetime Advocacy Network, represented by Mr. Kuntz.

Mr. Ted Kuntz (President, Planned Lifetime Advocacy Network): Mr. Chair, members of the committee, thank you for the opportunity to be here to share our experiences and our solutions with you.

My name is Ted Kuntz, and I am the past chair of PLAN. In my eight minutes with you this afternoon, I'd like to do three things: I'd like to tell you a little about PLAN; I'd like to tell you the need that we're addressing; and I'd like to share with you the solutions we've arrived at.

PLAN is a not-for-profit, family-led organization out of Vancouver that has now grown across Canada. It was begun in 1989 by a group of elderly parents who had one thing in common: they all had a son or a daughter with a disability. What brought these parents together was the question of who would take care of their son or daughter after the parents died.

That is actually a new question in Canadian society. For the first time in history, our adult children with disabilities are outliving their parents. This is a result of improvement in medical services. It's also a result of better access to those services by people with disabilities, but it does create a challenge, and the challenge is that our social safety net has not fully taken into consideration the fact that our adult sons and daughters are going to live as long as they are. It also hasn't fully taken into consideration that they're living in the community and, in most cases, rely on family and parents to support their quality of life.

Previously, when children like my son were cared for by the state in institutions, a parent's death didn't dramatically alter the day-to-day life of that individual, but nowadays—because parents are so actively involved, because our sons and daughters are living in the community—the death makes a change.

There are a number of difficulties with our social safety net around supporting adult children with disabilities. Let me give you an example. Our disability benefits program in Canada is set up in such a way that an individual who receives what's called unearned income is taxed at a 100% tax rate, dollar for dollar. Let me describe the situation to put it in context.

My son Joshua was damaged by his vaccine shot at five months of age and developed an uncontrolled seizure disorder. He's now 21. He still has an uncontrolled seizure disorder. In February, his neurologist recommended a new drug for him to try because there was some hope for success in managing his seizures. The difficulty is that because it's a new drug, it's not covered by PharmaCare. It costs \$200 a month. Josh cannot afford that \$200 a month on his disability benefits. His mother and I are more than glad to experiment with the drug and pay that cost. Here's the problem. When we pay for the cost of that drug, it's considered to be unearned income for Josh. When we report that to his financial aid worker, they deduct \$200 a month off his disability benefits. Now it not only costs the family \$200 a month for the drug, but my son has \$200 less income a month, and that equals \$400.

We approached our financial aid worker and said this was the situation and what would she suggest? Her response was, "We didn't have this conversation." Now, I appreciate that she was willing to be flexible enough not to consider his situation in terms of this drug or the cost of the drug, but what it points to is a systemic problem, which is that we haven't figured out ways to allow families to contribute to the well-being of their sons and daughters with disabilities.

We have a social safety net based upon the welfare system, which is a temporary model based upon last resort. Because of that, we feel somewhat suspicious of families who are assisting people on disability benefits. I can help out my daughter—I can provide her with money for education, which we just did this fall; I can buy her a computer; I can do all kinds of things that I can't do for my son. And my son's needs are actually much greater.

It simply speaks to the fact that we haven't figured out this piece because it's a relatively new piece, and it means we have to do some adjustments. Our preference is that we pull disability benefits and the model around it out of the welfare system. The welfare system tends to be a ceiling that says you can only earn this much money a month.

Ceilings restrict. We would like to see it become a floor, because we know that floors support, and we allow families opportunities to contribute. Right now it's an either/or system: either the family takes full responsibility or the state takes full responsibility. We believe there are opportunities—we know there are opportunities—where if we work together we can do this better.

• (1350)

We have three recommendations we want to share with you. The first one is what we call a disability savings plan. It would be modelled on a registered retirement savings plan. It would allow families to contribute to the well-being of a relative with a disability and receive some tax benefits for doing so. We've discovered that if we not only remove the barriers to contribution but we encourage contribution by family members, family members are eager to do so.

We did research this past year right across Canada on this model. We used tax experts and finance experts to help us, and they discovered that families would contribute \$230 million a year to support relatives with a disability in Canada. The tax deferral that government would experience is around \$50 million a year—actually \$47 million a year. What that represents is a fivefold return on investment; if the federal government invests \$47 million, families will contribute \$235 million. So a disability savings plan is the first recommendation.

The second recommendation is a fund we call "No One Alone". As a parent of a child with a disability, my greatest fear is that my son will be alone. We know that the greatest handicapping condition is not spina bifida, it's not cerebral palsy, it's not epilepsy; it's loneliness, it's isolation. While we all intuitively know this, no formal response exists to encourage the facilitation of relationships. Our experience at PLAN is that relationships are actually the most important component to quality of life. We've also learned that it's through relationships that people can make a contribution back to their community. We've come to the understanding that contribution is the most important criteria to what we call full citizenship.

The community living movement has made huge progress in the last 20 years in moving people out of institutions and living in the community. What we have noticed is that while people with disabilities are living in the community, they still aren't a part of the community. When we looked at that and tried to figure out what made the difference between people who are part of the community... what we discovered was that when someone makes a contribution to their community, and that contribution is recognized, they become accepted as a full citizen.

It challenges us to figure out how to create opportunities for contribution from people with disabilities. What we've learned is that in situations like the one my son is in, the contribution is actually a contribution of what we call being rather than doing.

Let me give you an example. When my son was entering grade 7, it was a year when they happened to have two grade 7 classes at the school he was attending. Both of the teachers were athletes and they decided in a rather innovative way to divide up the students for their classes that fall. They decided to flip a coin. Whoever won the coin toss would get first pick and then they would alternate picks back and forth until all the students had been assigned.

They flipped a coin and a teacher by the name of Jeff won the coin toss. He looked over this list of 70 students, and after some period of reflection, he chose my son. The other teacher looked quite mystified by his choice of selection and he said, "Jeff, when I look at this list of 70 students, there are good athletes on that list, bright students, funny kids, good looking kids, and you choose the student who has the intellectual capacity of a two-year-old, who has an uncontrolled seizure disorder, who needs a full-time care attendant, who needs to be toileted, and who needs all of his curriculum modified. Why did you do that?"

• (1355)

Jeff was one of those rare teachers and he said, "Let me tell you what I've noticed in the school over the last number of years. I've watched the kids as they sit beside Josh in the classroom. I've watched them race through assignments, so they can be the first one to read him a story. I've watched them modify games at recess to include him. I've watched them support him after a seizure, stroking him and talking to him gently. I've watched them say hi to him as he's wheeled down the hallway. And what I've noticed is that when they're around him, they're kinder and gentler. I think if I have Josh in my class, it will make it a kinder and gentler environment in which to learn."

Jeff was a teacher who recognized the contribution of my son. He didn't see the disability, he saw the contribution. But that contribution can't be given if people aren't in a relationship. One of the things that PLAN is based on is that we believe relationships are the key to a good life, and we intentionally facilitate relationships. But we see all kinds of families who can't afford our services, and as a result their children are alone and isolated.

We also see that our social service net doesn't value relationships nearly highly enough, so we need to stimulate that intellectual growth, that innovation, that skill development to encourage more of the building of relationships to increase the quality of life. So the second recommendation is around what we call the "No One Alone" fund. Details are in your package.

The final recommendation is actually a recommendation that government has already begun to act on. It's about allowing the rollover of an RRSP to an individual with a disability—and we're actually delighted to see that—but there are some limitations that we think get in the way of making this an even better tool for families.

The current model, as proposed by the government, will allow a parent and a grandparent to rollover RRSPs to a child with a disability or a grandchild with a disability, but it's limited in that it's only the parent or grandparent, so brothers and sisters, aunts and uncles, nieces and nephews are not allowed to contribute to the well-being of a relative; the rollover can only happen at the death of the grandparent or the parent, not before that, so it limits when those resources would be available to support the relative with the disability; it's required that the money be put into an annuity, which allows a certain amount of money each month to come to the person with a disability. Because of the poor integration with the provincial disability benefits program, the money that comes from the annuity often negates disability benefits—much as in the example I gave you with my son's medication—and there's no net benefit.

Finally, the current model is also limited because the annuity is put out by insurance companies, who figure out how many years

somebody might live, and if our children live a long time it might be a good deal; but in many cases our children don't live as long a life as expected, so the insurance company benefits but the family doesn't. And what we've seen is that families are reluctant to have their assets go into an annuity because they feel a loss of the asset.

So we think, by removing those barriers, the tool that you've already recognized could become an even better tool.

Thank you for your thoughts and for your consideration.

The Chair: Thank you.

We'll move to five-minute rounds.

Ms. Ambrose.

Ms. Rona Ambrose (Edmonton—Spruce Grove, CPC): Thank you, Mr. Chair.

Thank you to all the presenters for being here today.

I wanted to talk a little about child care because I'm involved in the debate. We've heard a lot about this issue in the last little while. From all sides, it's clear that we need a very progressive child care policy in general, because we're seeing a patchwork and a lot of diversity.

One of the things that we feel strongly about in the Conservative Party is the need for a progressive child care policy that meets the diversity and different needs of families in this country. The concern we have with the Liberal program for early learning and childhood care is that right now—and I know this from some of the organizations that are here today—you're talking about funding only one particular type of child care, and that is support for 9 to 5, institutional, not-for-profit day care.

I wanted to also touch on the fallacy of the funding. Right now we're looking at \$5 billion over five years. From statistics that come from the Minister of Social Development himself, we know that will only actually increase the number of spaces in Canada by 3%. It falls far short of what we're looking for.

Let me be clear. We believe that investment in child care is important, but we believe the investment has to be made in the families. In the Liberal program, we're again looking at only one choice or one option for parents.

I have three concerns with the Liberal plan that I wondered whether some of you could address.

One is equality for women. Women who do not use the program or families who do not use this program are discriminated against because they're not financially empowered under this program. This program is not universal. We know that two-thirds of Canadian families are excluded from the program because they're not choosing to use this type of child care, whether or not it's available to them. We also know that the Vanier Institute's study on this issue says that if money was not a consideration, almost 100% of working moms in the workforce would prefer to stay home with their children, but they can't afford it.

We've heard loud and clear from the immigrant communities that they feel their cultural specifics aren't being met by the Liberal program. They'd like to be able to access funding or be financially supported to have extended family stay home to pass on cultural traditions and languages.

We also know that rural families are being excluded because they don't have any access to the kind of infrastructure in rural communities that this program is supporting.

We also know that shift workers are excluded because they don't work 9 to 5. A lot of people who work shift work also have low incomes.

The other issue is on child poverty. We believe very strongly that funding should be focused on the child. It should be focused on the child's needs and the parents' needs. Again, I'll reiterate that we have no problem with funding a child care policy that would meet these needs and would be diverse. For that reason, we think the money should go directly to parents. It's the only equitable way and the only universal way that we see addressing all of the diverse needs of Canadian families.

Ms. Helen Ward, could you talk a little more about that? You have obviously done a great deal of research to combat some of the issues that have been raised in the Liberal program.

• (1400)

Ms. Helen Ward: The program discriminates against anyone who doesn't use full-time licensed centre-based care from birth. Someone who chooses that for their family will receive far more benefits than someone who chooses another form.

Many people want to use day care. For example, a friend of mine didn't want to use day care until her daughter was able to speak, which she felt was at the age of three and a half or so. Even though she's very much for day care, she would have received no benefits whatsoever for three and a half years.

Many people want to use programs that are completely excluded, such as dancing lessons, swimming lessons, and hockey lessons. Hockey costs a lot of money. It's good for children's development, but it's completely excluded from this program.

People have businesses of various sizes. I have a kind of micro-business. Part of it is teaching children of various ages to sing, helping them to learn English, and also babysitting, which is a noble profession, but I am completely excluded.

You're talking about entrepreneurial capital. When you put this money into a very limited form of care, you're sucking money out of the entrepreneurship that's out there. It's largely women who have these smaller businesses or home-based businesses. They are dancing, teaching, and doing all the other things that directly benefit children's care and development.

Do you have any other questions?

Ms. Rona Ambrose: Is my time up?

The Chair: Yes. I know some of the other groups are itching to answer the questions, but some of the members will probably ask the same questions.

I will go to Mr. Bouchard, Ms. Crowder, and then Mr. Bell.

Mr. Bouchard.

[*Translation*]

Mr. Robert Bouchard (Chicoutimi—Le Fjord, BQ): My question is for the British Columbia Child Care advocacy Forum. Your organization is critical of the fact that one federal dollar replaces one dollar from the province. You also talked about substantial, sustainable, federal aid.

What formula should the federal and provincial levels of government adopt to share the cost of a public day care system? Should the costs be shared equally by the two levels of government? Have you given this matter some thought? Assuming this issue is clear to both levels of government, which do you think should assume the larger cost burden?

• (1405)

[*English*]

Ms. Sharon Gregson: I would like to clarify that when we're talking about child care in this context, we're not talking about 9 to 5 institutional care, we're talking about not-for-profit, community-based delivery.

And when we're looking at shared costs, it's interesting to note that the current bilateral agreement that the provinces and territories are signing, and that B.C. recently signed, is focusing on the age group from zero to six. One of the suggestions from the British Columbia groups has been that the provincial government, therefore, has a very clear role to play in the delivery of child care services for the 7- to 12-year-olds. So that's one possible split given the current context. Child care does fall under the realm of provincial jurisdiction. We understand that, and therefore we think it's important that the province continue to have a significant role in funding services.

That said, we see a role for the federal government to play in funding a standard base framework on a pan-Canadian basis. Whether it's a 50-50 split or a 60-40 split, we're still talking about taxpayers' dollars at whichever level we're looking. So the important thing for us is that we move away from the fragile patchwork. It's not a beautiful thing for the women in my office who are crying because they don't have child care spaces and therefore cannot return to work after maternity leave; for them it's not a beautiful thing.

On the funding mechanism, I think the percentage is up for discussion, but the end result needs to be a system that meets the needs of a continuum of services, to meet families' diverse needs.

Mrs. Susan Harney: May I just add that one of the things we're looking to the federal government to do is to provide a real leadership role. As the child care deals are signed across the country, we're disappointed that the federal leadership seems to be diluting along the way, because the money is not there to fund a whole system.

I'm sorry, but when you get into talking about hockey lessons and dance lessons...when women can't participate in the workforce, I think that's a greater priority for most women in Canada than dance lessons. Maybe that's just my opinion.

So when we don't have enough money to fund the whole, huge system, then I think we had better be really careful about how the dollars are spent. We look to the federal government to provide the leadership that says dollars have to be accountable. Are the dollars that are being funded by the federal government going to build a system, or are they going to fund small, one-off programs that aren't going to lead to the building of a child care system?

Whether it's a 60-40 split or a 50-50 split, like Sharon, I would really urge accountability at the federal level, to start looking at the provinces and demanding more accountability for the federal dollars that are put into the provinces. We have a real problem around that in B.C.

The Chair: Thank you.

I just want to remind the witnesses that the members only have five minutes for questions and answers, so if you want a debate, you have to keep your answers brief.

Ms. Crowder, and then Mr. Bell and then Mr. Pension.

Ms. Crowder.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Thank you, Mr. Chairman. First, I want to thank the panellists for their presentations. Because of the narrow five minutes, I would like to thank Ms. Sylvester for her presentation today. I absolutely agree with you. I don't have a question because I don't have time.

Mr. Kuntz, I appreciated your very passionate delivery, and again because of the limited time, I don't have a question. But I thought you were very succinct and laid it out.

I'd like to come back to the child care coalition. I don't recall reading anything in the literature that actually said this program was to be a panacea for every Canadian man and woman. I don't recall seeing anything saying grandparents and families who provide child care were somehow of less quality. My understanding was that this is one response in a range of responses that's being advocated, just like we often have responses for things like employment insurance for people who work. So this is not meant to be one size fits all and to benefit everybody.

In that context, I have two questions. One is for the councillor from the City of Vancouver. When we talk about child poverty, there is no such thing as child poverty; it is child and family poverty, as long as we continue to have programs that don't recognize that a significant number of people in this country do not have an adequate income. Could you talk specifically about housing, and could you be very brief on this? My understanding is we've seen a substantial number of announcements, but really on the ground, we haven't seen that kind of housing built. Has that been your experience?

• (1410)

Ms. Anne Roberts: I think our biggest problem is that we do not have a national housing strategy putting that money into the community, absolutely. We need it in many areas. Particularly, I think what we're looking at is some kind of supported housing where the provincial level is involved and also the health care system. All of that needs to be put together, because many families living in poverty are dealing with a number of issues. But you're right; we're

not seeing it. We're seeing announcements, but we're not seeing the money. And we have land. Our city goes—

Ms. Jean Crowder: Okay. If I could, I want to turn back to the child care folks here. There have been a number of statements made about the lack of availability for people who may not work in the standard 9 to 5 job—which of course is not standard any more—about the fact that there's no access in rural areas, and that working moms would prefer to stay at home. I wonder if you could address some of those things.

Mrs. Rita Chudnovsky: I'd like to say clearly for the record, number one, that we see child care as one essential element of a comprehensive family policy for which other elements are required. Number two, the Child Care Advocacy Forum and others support a continuum of services in communities, not only one form of care. We support family-based, home-based, centre-based, part-time, full-time—flexible, to meet different kinds of working needs. That's always been our public position, and it remains so.

However, we do believe that while there is a range of policies, not only tax policies, that support families with young children, there also need to be workplace policies that support the work-family life. These are not a substitute for the comprehensive, high-quality child care system we need. They complement it, but they do not substitute for it. Women in this country will not, by necessity or choice, leave the labour market for the small amount of money that can be available through a small program. They will be in the labour market. The economy depends on them. Canada would be in a mess if all women left the labour market. Their families depend on them. I thought we had established the right of women to choose to be employed. The quality of care their children receive matters to those children, it matters to those families, it matters to those communities, and it matters to our economy and our society. Child care is an inclusive community builder. We see it as one piece of a comprehensive family policy, not in conflict with—and not as a substitute for—the other supports families need.

Ms. Jean Crowder: Is my time up? I've got more time?

Very quickly, accountability is absolutely essential. We've seen British Columbia reduce the number of child care spaces when federal money came in. Could you comment on some specifics besides reporting? Should we cut off funding if provincial governments don't deliver?

Mrs. Susan Harney: I say yes. If we can bring in legislation at the federal level, then we're more apt to have accountability, we believe. But yes, there have to be some guidelines around this money, and it is not okay for provinces to cut their own child care funding while accepting federal dollars.

The Chair: Thank you, Ms. Crowder.

Mr. Bell.

Mr. Don Bell (North Vancouver, Lib.): Some of my questions have been asked and statements have been made, but I wanted to ask Shauna Sylvester a question.

In terms of what you're talking about with respect to groups in the charitable status, what percentage...? I saw the material you provided and you've lined some things out and changed it. But you talk about...part of it's resources. When you get to CRA, it's a lot easier if the legislators provide a figure. Ten per cent isn't right. At what point does an organization change from being deserving of charitable status to being a political action group, for example? Then there's the question, should they have a tax benefit or, in effect, public funding for that purpose?

• (1415)

Mrs. Shauna Sylvester: Thank you for that question.

It's fairly simple. It's in line with where Britain is. It's as long as the activity does not become dominant, so that would be 49%. Of course, the organization must always maintain charitable purposes, so the activity must be in relationship to the purpose, and there's a fair bit of legal work that's been done on that. So as long as the activity does not become dominant—and this is not for organizations that do not have charitable status; it is only for those organizations that already have proved themselves public benefit organizations.

Mr. Don Bell: Is Britain the only...?

Is that my only question?

The Chair: No, I was going to ask that question.

But it's not written in your proposed amendment, is it?

Mr. Don Bell: I'm happy to share my time with my Liberal colleagues here.

The Chair: Thank you, Mr. Bell. It's only because we're on that question.

Is it in your amendment?

Mrs. Shauna Sylvester: If you read option B, that is stated in the amendment. And if you took out those offending words in option A, you would get the laws that exist in Britain.

The Chair: Okay, "dominant activities".

Sorry, Mr. Bell.

Mr. Don Bell: Thank you.

Again, Mr. Kuntz, I'll echo Jean Crowder's comments. I think you're pretty articulate. I understand the situation. I know a number of families that face the same kinds of challenges you're talking about, so I'm interested in the material you have and I think it's something worth pursuing.

The other issue, obviously, goes back to the child care. I was interested in the comments from Rita and Susan indicating that it's sort of one of the avenues. Clearly, the program the government has put forward isn't meant to be the end-all or the only possible program. As I understood it, and from my years in local government here and in dealing at the local level with this and having groups appear before council, and from what I've heard over the last year and a half as a member of Parliament, there needs to be a sort of base national program and then try to work from that.

I've listened carefully to the Conservatives. Ms. Ambrose has raised that point of view at a number of meetings and hearings we've had. The question, in examining whether our policy is the correct

one—that's why I'm interested in the input—is, if it's the way... I've been with Minister Dryden when a number of the announcements were made and had discussions and briefings on it, and having heard of the need, the question is, what is the best way to respond? The majority position that I seem to hear, overwhelmingly in fact, is that this is a step in the right direction. The concern is that it's maybe not enough. The concern from other avenues is that there'll never be enough, that it's potentially a bottomless pit; the dollars could go on forever.

Mrs. Susan Harney: Might I refer to the comment that was made about the program not being universal if not every parent wanted to participate? I don't know many Canadians who would say that our K to 12 system isn't universal because some choose not to participate. It still is a universal program. I mean, there's lots and lots and lots of work to be done, but we need to start building a system and get rid of the patchwork.

Mr. Don Bell: The final comment I'd make, having come in and listened to the extensive debate both prior to the last election and subsequent to it, is that clearly the desire of the Liberal Party, and then as government, was to address that which had been identified as one of the basic needs—health care, addressing waiting lists, and child care. The argument was that the child care policy had been proposed I think in four budgets and hadn't been implemented and now was the time to do it.

Over to you, my colleague, if you wish to use my remaining time.

Ms. Sharon Gregson: Many of us would say that the reason the Liberals managed to get elected and into government was because they put forward a child care plan during the election period, so we think it's a strong piece of the platform.

The Chair: Thank you.

Mr. Penson.

Mr. Charlie Penson (Peace River, CPC): With that, I'm not sure where to start, Mr. Chair.

I heard the debate going back and forth here a little bit about whose jurisdiction children were anyway. Is it provincial or federal? I always thought it was parental jurisdiction. I think that's what's being lost in a lot of this, that it's really a parental jurisdiction, and it seems to me they should be the ones to decide what kind of system they choose. If the dollars follow the parents, the family, they can make that choice.

A voice: Hear, hear!

Mr. Charlie Penson: You know, the Prime Minister said last week in Montreal that he will not interfere with the way the provinces administer this day care system. So contrary to what some of the witnesses are asking for, he has already made a statement just a few days ago that he will not interfere.

I guess my question is, what's wrong with the concept of the dollars going to the families and allowing them to make the choices? If the institutional system is the best, surely they'll choose that, won't they?

• (1420)

The Chair: Who would like to respond to this? We'll go to Ms. Davidson.

Ms. Sheila Davidson: Yes, I would. We all would, really. We actually all could respond.

The issue is certainly parental choice, but under the current system we have, parents don't have a choice. We have parents lined up. You can talk to any child care provider in this city, both family-based and group-licensed. We have thousands of families on wait lists.

A voice: The numbers don't show it.

Ms. Sheila Davidson: We have thousands of families who say, "I cannot go back to work because I do not have a child care system; I don't have a space."

A voice: [*Inaudible—Editor*]...with you across the country.

Ms. Sheila Davidson: Is that appropriate?

The Chair: It's a public hearing. If people want to act smart, they can act smart.

Ms. Sheila Davidson: Many of us don't have family in the province or the city in which we live. Many families are saying, "If I don't get child care, I can't contribute to my career, to my studying." If we give the dollars directly to the family, where do they go for the child care? We know that women give over \$25 billion in taxes to the federal government. I've heard that the Conservative government would like to give those dollars to women, which might help them stay at home.

Mr. Charlie Penson: Women? No, I don't think that's correct.

Ms. Sheila Davidson: How much money—

Mr. Charlie Penson: Ms. Davidson, I'd like to continue. My time is short here.

Ms. Sheila Davidson: So is mine, sir.

Mr. Charlie Penson: Yes, and you have made the statement that there aren't enough day care spaces. Ms. Ward, I think, has made the statement that there are a lot of vacancies. I'd like to hear her point of view in regard to whether that's accurate or not.

Ms. Pat Frouws (Representative, Advocacy Forum, Simon Fraser University Childcare Society, British Columbia Child Care Advocacy Forum): Excuse me. I'm an operator of a child care centre in Burnaby. We have a wait list of almost 400, so some of them—

Mr. Charlie Penson: The question was directed to Ms. Ward.

The Chair: We're trying to have a debate here. I understand it's a sensitive issue, but the question was directed to Ms. Ward, so I'd like it if she could answer the question.

Ms. Ward.

Ms. Helen Ward: I get my information from government-funded studies. I'm not making it up. The *You Bet I Care!* study says that the majority of licensed care in Canada has vacancies and the average is 8% vacancy. If that's inaccurate, why are we funding these studies?

In regard to the waiting lists, when you're talking about numbers, okay, many people are looking for a day care space, but many people are not. Many people are looking after their own children and sacrificing tens of thousands of dollars in income. I'm speaking about myself, friends, family, and many, many people. So what about them?

I could be earning \$10,000, \$20,000, or \$30,000 more per year by not looking after my son myself. Where's the funding for that? You're putting this program on our backs. You're asking us and all the low-paid day care workers to subsidize this system.

Every mother is a working mother, and work is work. Those who are looking after their own children are working and contributing. If that person does not want to look after their own child and would prefer to get a full-time paid job and would like to use a day care centre, it's not the easiest thing to find sometimes, but—

Mr. Charlie Penson: Ms. Ward, I gather the point you're making is that not only are you not supporting that institutional system, but you're having to pay for it through your tax system—

Ms. Helen Ward: We are paying through taxes and our contribution—the unpaid work—is not financed. We're asking you to finance unpaid child care. Also, by financing families, we can use the money to pay for the babysitter, to pay for the day care, to pay for the grandparent. Cleveland and Krashinski say the quality of care in the so-called informal sector is of low quality, so yes, they do say that grandparents and parents and fathers and mothers are providing lower-quality care, and that is the premise this policy is based on—and that is not true.

• (1425)

Mr. Charlie Penson: Thank you.

The Chair: Thank you, Mr. Penson.

Ms. Frouws, I have two minutes of my own time. Would you like to comment?

Ms. Pat Frouws: Yes.

I am an operator of a large facility in Burnaby. We have spaces for 222 children currently. As of the end of August—we did a statistical analysis—there were 399 on our wait list from ages zero to 12. Typically, most of them are one to three years of age.

I was talking with a developer who wants to develop up at the university. He said he will no longer bid for development there until a new child care centre is built. So that's keeping development going forward in that area, because there is no group-licensed child care available from us.

The Chair: I'm from Quebec, and I can tell you it's not an easy chore. In Montreal, there's a lack of spaces in some areas and more than enough spaces in outlying areas.

It's not an easy discussion we're having today. I think the reason you're here is to try to debate the problem or the issue in a civilized manner; I don't think bringing a cheering group adds to the discussion. It just doesn't do it justice.

I have one more question for Mr. Kuntz. Is the welfare money that your son gets from the provincial government?

Mr. Ted Kuntz: That's correct.

The Chair: So there's not very much we can do.

Does he get anything from the CPP as a disability?

Mr. Ted Kuntz: No.

The Chair: He doesn't get anything from there. Okay.

Again, to the groups, thank you for your time. I really appreciate it. It took a little bit of time, but it added a little bit of liveliness to the midafternoon discussions.

Let's not make it too late. Let's start right away.

The meeting is adjourned.

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