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Release Communiqué

COOKE TASK FORCE ON CHILD CARE RELEASES REPORT

Ottawa -- March 7, 1986 -- Current provisions for child care and parental leave are failing Canadian children and families, according to the Cooke Task Force on Child Care.

In its report released today, the Task Force describes Canada's child care situation as being in a state of crisis, with the current supply of licensed child care spaces able to accommodate less than nine per cent of Canadian children requiring non-parental care on a full-day basis. The Task Force also identified Canada's parental leave policies as outmoded and inequitable, and in need of major improvement.

The Task Force report recommends sweeping changes directed towards making quality child care more widely available to a broader range of Canadian children.

The Task Force suggests an incremental approach to developing a universal system of quality child care. It initially recommends a modest level of new spending with the federal government providing short-term grants to the provinces and territories to stabilize the current licensed child care system, to make more spaces available and to improve the affordability of licensed child care.

In the medium-term, the federal government should move to a cost-shared arrangement with the provinces and territories to cover a portion of the cost of a child care system.

In the long-term, the Task Force recommends that licensed child care in Canada be fully funded by the federal and provincial/territorial governments on a cost-shared basis.

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The Task Force's recommendations would entail new federal government spending on child care in the order of $116 million in the first year, rising to shared federal and provincial spending in the year 2001 of as much as $11.3 billion for a fully funded universal system of child care.

The Task Force also proposes a new system of parental leave that would eliminate inequities, enrich and expand the paid leave program, and extend benefits to fathers as well as mothers.

'The step-by-step approach recommended by the Task Force foresees a long-term financing plan for child care,' said Dr. Katie Cooke, Task Force Chair. 'We firmly believe that no price is too high to safeguard our children and to ensure their development and growth. By suggesting a phased-in approach, the Task Force is offering the federal and provincial governments options they can use as the economy strengthens to improve Canada's child care system in an organized, rational way. Clearly, the present piecemeal approach to child care is not serving the needs of Canadian families.'

The federal government established the Cooke Task Force on Child Care in June, 1984. During the course of its work, the Task Force published 20 research papers. It received briefs from day care associations, social agencies, labour unions, business, and women's organizations, as well as 7,000 letters from concerned parents. Questionnaires administered by Canadian diplomatic missions in 20 countries provided information for a comparison of child care and parental leave systems in other nations.

The Task Force was chaired by Dr. Katie Cooke, President of the Community Council of Greater Victoria, and first President of the Canadian Advisory Council on the Status of Women (1973-1976). Other members of the Task Force were Renée Edwards, former Executive Director of Victoria Day Care Services in Toronto, and former Director of Services at the Metro Toronto YWCA; Jack London, Professor of Law at the University of Manitoba, where he served as Dean of Law (1979-1984); and Ruth Rose-Lizée. professor of Economics at the University of Quebec in Montreal.

Copies of the report of the Task Force on Child Care are available at a cost of $9.95 from the Canadian Government Publishing Centre, Ottawa, Ontario, K1A 0S9, and from many local bookstores.

The Task Force research papers have been published in six series and are available free of charge from:

Communications Unit
Status of Women Canada
151 Sparks Street
10th Floor
Ottawa, Ontario
K1A 1C3
Phone (613) 995-7835

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Summary of the Task Force recommendations attached.

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TASK FORCE ON CHILD CARE
GROUPE D'ÉTUDE SUR LA GARDE DES ENFANTS

SUMMARY OF RECOMMENDATIONS

1. We recommend that the federal, provincial and territorial governments jointly develop complementary systems of child care and parental leave that are as comprehensive, accessible and competent as our systems of health care and education.

2. We recommend that the federal government initiate the development of a nation-wide system of child care in Canada, by declaring its willingness to share a substantial portion of the cost of such a system, and initiating a new federal-provincial cost-sharing arrangement for child care.

3. We recommend that, while negotiations with the provincial and territorial governments are in progress, the federal government provide, as a show of good faith, a conditional grant to every province and territory. We recommend that the Minister of Finance announce in his next Budget Speech that the federal government will, beginning in the 1986-87 fiscal year, provide operating grants equal to:

   - $4 per day for each space serving an infant, disabled, or special-needs child;
   - $2 per day for each full-day space serving preschool-aged children and 6-to-12-year-olds when school is not in session;
   - $1 per day for each after-school and half-day preschool space.

4. We recommend that the grants be conditional upon agreement by provincial and territorial governments to forward the funds to licensed programs, in the differential amounts prescribed.

5. We recommend that all new financing initiated by the federal government be directed only to services that are licensed and monitored by provincial or territorial governments.

6. We recommend that the good faith grants and all direct child care funding subsequently proposed by us be limited to:

   (1) licensed centres that are operated by a branch of a provincial or municipal government or by a non-profit agency; and
   (2) licensed family home child care programs in which individual caregivers are selected, sponsored and supervised by provincial or municipal government officials or a non-profit agency.

Canada

7. We recommend that the federal government authorize the Minister of Health and Welfare to offer, beginning in the 1986-7 fiscal year, the following amounts as contributions to the capital costs of creating new child care spaces: $400 per space for centre spaces serving children under 6, $200 per space for school-aged centre spaces and $100 for spaces in licensed family home care programs.

8. We recommend that, beginning in the 1986-7 fiscal year, the federal government offer capital contributions equal to 20 per cent of the cost of establishing each new child care space serving a handicapped or special needs child, whatever the level of those costs.

9. We recommend that Cabinet authorize the Minister of Health and Welfare to initiate negotiations with each of his provincial and territorial counterparts to replace the good faith conditional grants with a new cost-sharing arrangement. The objective of these negotiations should be to secure the agreement of each provincial and territorial government to fund, jointly with the federal government, one-half of the cost of providing child care programs within their boundaries.

10. We recommend that the federal government offer to fund up to 25 per cent of child care program costs in the wealthiest regions of the country, rising to 40 per cent of program costs in the poorest regions, provided that the provincial or territorial government concerned matches the federal funds with spending of its own equal to the 10 to 25 per cent required to bring public spending up to 50 per cent of program costs.

11. We recommend that the medium-term cost-sharing arrangement take effect separately in each province and territory as soon as the two levels of government reach agreement on it.

12. We recommend that the federal government offer to cost-share, on the same variable basis, the full amount of any special costs associated with providing care for handicapped children, whether the care is provided in an integrated or segregated setting.

13. We recommend that the federal government offer to extend the variable cost-sharing arrangement to cover the full start-up costs associated with the opening of new facilities and expansion of existing ones.

14. We recommend that the federal government use every means at its disposal to persuade provincial and territorial governments to make more subsidized child care spaces available within their boundaries.

15. We recommend that the federal government announce immediately that it will lift the current restriction, which limits C.A.P. funding to centres operating on a non-profit basis in those provinces that use an income test to determine eligibility.

16. Once the medium-term cost-sharing agreements have been reached with all provinces and territories, the Canada Assistance Plan provisions applying to child care should be subsumed under legislation that governs the new cost-shared financing. We recommend that the variable cost-sharing formula thereafter apply to child care subsidies based on income.

17. We recommend that new financing not take the form of tax relief, since it is our view that tax measures, in whatever form, cannot provide the basis for development of a child care system. However, in the short and medium term, we recommend that the Child Care Expense Deduction be continued, with present limits intact.

18. We recommend that the Minister of Revenue issue guidelines clarifying the business expenses that may be claimed by self-employed caregivers and publish the same in a booklet for family home child care providers, together with a specially designed balance sheet for use by them in completing their income tax returns.

19. We recommend that the federal government undertake to appoint a Task Force in the year 1996 to review progress in the development of the child care system, with a view at that time, to extending public funding to cover the full cost of child care programs.

20. We recommend that the Minister of Finance announce in his next Budget Speech that all capital costs of child care facilities incurred either by employers on behalf of employees, or by owners of revenue producing property shall form a new and separate class of depreciable property under the Income Tax Act, with a capital cost allowance rate of 100 per cent. Furthermore, we recommend that recent amendments to the Income Tax Act, which restricted to 50 per cent the eligible capital costs of assets acquired in the year, be waived in the case of child care facilities, so that the full allowance may be taken as a deduction in the year in which the cost is incurred.

21. We recommend that the Minister of Revenue articulate, as soon as possible, the following guidelines for taxation of child care benefits to employees: that the provision by an employer of a child care benefit to employees (whether in the form of cash payments, facilities or services) should not be considered a taxable benefit so long as:

    1. the services are provided in a licensed child care program; and
    2. the benefit is available to all employees, of whatever rank, within the employer's organization, whether or not all such employees avail themselves of the benefit.

22. We call upon the federal government to provide an example to other Canadian employers by announcing a policy of establishing child care centres in federal government buildings wherever numbers warrant.

23. We recommend that new resources be provided to departments to fully equip these new centres.

24. We recommend that Cabinet direct the Minister of National Defence to establish licensed child care programs on each Canadian armed forces base in Canada and abroad, and to provide at least the same level of financing to these programs as is provided for other government employees.

25. We recommend that when a member of the armed forces, who is also a single parent, is serving in a capacity that requires him or her to be separated from his or her children, the Department of National Defence underwrite the full cost of care for that member's children during the period of duty.

26. We recommend the Canada Employment and Immigration Commission be directed to give priority and increased resources to programs that provide specialized training for child care staff.

27. We recommend that the Secretary of State direct the Social Sciences and Humanities Research Council to accord top priority to research projects related to the needs of families with children in the 1990s. In addition, we recommend that the Secretary of State, in cooperation with the Minister of National Health and Welfare, fund the creation, in universities across the country, of special Chairs on child development and family policy. At least one of these Chairs should be established in each province.

28. We recommend that the federal government offer to cost-share with provincial and territorial governments the cost of such essential activities as parent resource services, toy lending libraries, and child care information and referral services, as well as other specialized, innovative and experimental programs.

29. We recommend that the Prime Minister appoint a Minister Responsible for Children.

30. We recommend that the role of the National Day Care Information Centre at Health and Welfare Canada be expanded to become a national reference centre on child care.

31. We recommend that the Canada Labour Code be amended to reduce the qualifying period for parental leave to 20 weeks, to bring it into compliance with the qualifying period for benefits under the Unemployment Insurance program.

32. We recommend that birth and adoption benefits continue to be provided through the vehicle of the Unemployment Insurance program.

33. We recommend that the proposed birth and adoption benefits be financed entirely from the employer-employee account, as maternity benefits are today.

34. We recommend that the duration and level of birth and adoption benefits be increased, in two steps, as follows:

    - within 5 years, a benefit increase to 75% of maximum insurable earnings, and an extension of paid leave to 20 weeks;
    - within 10 years, an increase in the benefit rate to 95% of maximum insurable earnings, extending the duration of paid leave to 26 weeks.

35. We recommend that the leave commence as it now does, up to eight weeks before the birth, and be taken within the year following the event, with some flexibility allowed for the timing of the leave, upon negotiation with individual employers.

36. In recognition of the support required by the mother and other family members at the time of birth, we recommend provision of an additional five days' paid leave for the father during the period between the birth and the week after mother and child have returned from the hospital, at the same benefit rate.

37. We recommend that Section 59.2(a) of the Canada Labour Code be amended to permit either parent to take 26 weeks of leave on the birth or adoption of a child, or for the two parents to share the leave between them.

38. We recommend that birth and adoption benefits be made available to either parent, in recognition of the equal partnership of parents in meeting family responsibilities. We recommend that leave and benefits be shareable between the parents, who should be permitted to use them either concurrently or consecutively as long as the total does not exceed the 20/26 weeks set out above.

39. We recommend that the Unemployment Insurance Act be amended to delete application of the two-week waiting period to claims for birth or adoption benefits.

40. We recommend that parental benefits coverage under the Unemployment Insurance Act be extended to self-employed persons so that they may avail themselves of the benefits provided under the program.

41. We recommend that parental benefits coverage under the Unemployment Insurance Act be extended to part-time employees who work at least eight hours per week.

42. We object in principle to the surtax imposed on higher income claimants under the Unemployment Insurance Act, since it undermines the insurance function of unemployment benefits, and we recommend that it be eliminated from the Act.

43. We recommend that proportionate benefits be extended to claimants with at least 10 weeks' insurable employment.

44. We recommend that the Canada Labour Code be amended to provide that employees may extend their parental leave to up to a total of one year to care for young children.

45. We recommend that a minimum standard of five days' annual paid leave for family-related responsibilities be incorporated as a minimum standard in the Canadian Labour Code.

46. We recommend to the Parliamentary Committee on Child Care that it solicit input from groups representing the handicapped and parents of handicapped children as to how the needs of families with handicapped children can be adequately addressed within the context of a developing parental leave system.

47. We call upon the President of the Treasury Board to extend to all public servants, including members of the Armed Forces and groups unrepresented in the collective bargaining process, the same birth or adoption leave and benefits now provided to half of the employees of the government.

48. We recommend that fathers and adopting parents become eligible for the post-natal leave and benefits provided to natural mothers in the Public Service.

49. In recognition of the shared responsibility of parents for child rearing, we recommend that, when both parents are public servants, they be permitted to share birth and adoption leaves between them.

50. We recommend that the 5-year child care and nurture leave be extended to all public servants.

51. We recommend that the federal government extend a minimum of five days per year of family responsibility leave to all public servants.

52. We recommend that paid leave for the birth or adoption of a child be granted to Armed Forces personnel on the same terms as to other public servants.

53. We recommend, also, that the provision for care and nurture leave now applying to most public servants be extended to servicewomen and servicemen, as well as the provision for 5 days' annual leave for family-related responsibilities.