



BC Family Child Care Association

“Your Early Care and Learning Professional Organization”

September 19th, 2021

Honourable Katrina Chen
Minister of State for Child Care

Dear Minister Chen,

I am writing to you on behalf of the members of BC Family Child Care Association with concerns that are coming up with the Universal \$10 a day program and how it pertains to Family Child Care providers and sole proprietor Child Care providers.

There has been a lack of information and clarifications felt by providers in not only how to apply in the prototype process but in how moving forward the sole proprietor operating a child care in the province of BC will or if they will fit in the Universal Child Care Plan.

I know you have said you valued all types of child care that we have in the system now but the overall feeling from providers is that they are feeling pushed out of the system and do not see how they will fit in the future.

We have not seen many new providers wanting to sign up to be a Licensed Family Child Care provider with all this uncertainty; as well as we are starting to see a lot of facilities close their doors as they cannot make ends meet under the restrictions that are needed to sign up for the child care programs.

The reasons that are being stated are as follows:

The new Prototype site application requires wages but sole proprietors in general do not pay themselves a wage; they take either a draw from the business or the end of the month profit as their payments. Now with newer facilities, those payments would of course be smaller than a well-established facility as those well-established providers start to take more of a draw from their business to pay things like benefits or pensions (which as a sole proprietor they do not have). This type of expense is not included in the prototype application and if providers cannot save for their retirement, you will most certainly see more people leaving the field and you will be needing to open more and more new spaces and you will be losing a very valued mentorship in the field of child care.

Sole proprietors for the most part do all their own administration for their business and with the implementation of all the new programs comes more administration time as well as statements that need to be signed off by financial professionals. This all takes time

and money that was not budgeted for before these programs came into effect. Providers are already working very long hours with the children on the floor without breaks. In the Child Care Regulations, Family Child Care providers are not allowed to get a regular substitute to cover so that they may be able to accomplish their administration. The regulations do allow for an occasional substitute that would cover doctor or dentist appointments but not on a regular basis.

These extra hours of work do not look like they are calculated into the application process.

The application is based on expenses which does put the well-established provider at a disadvantage as their expenses could be lower than a new provider and as said above most long-time providers are putting their hard-earned profits into their retirement when their expenses are lower.

As a sole proprietor most providers are only used to the Canada Revenue system as how to report their revenue and expenses so the financial statements that are needed for the new application are very new to providers and there seems to be much confusion on this.

Family Child Care providers are very concerned about the Before and After child care for School Aged children moving onto the school grounds. As you know the age restrictions for an FCC license is up to 7 children but with the move to Before and After School care being available for all children attending each school, has an impact on the possible monthly revenue that each FCC provider has each month. This move has the capability to remove two child care spaces from each FCC's monthly revenue, so it leaves them with the prospect of only having revenue from 5 children continuously. Yes, there may be times when they will have 7 children but that will only be for the year that those children are not attending school and that is if they do not take any children under the age of 12 months.

Most calls that providers are getting these days are for the under 12 months of age children as the parents are having to return to work before their child is one year old. The cost of living has increased so much that parents are needing to return to work before their maternity leave is up. So now an FCC provider takes a child under the age of 12 months that brings them down to only three children under the age of 48 months and again a few children over the age of four but that will only be for a year again until those children enter the school system and have their Before and After School care on school grounds. As you can see this move has the potential to erode the FCC system because when the provider cannot make a steady income at their business, that business will have to close and this will remove any future parents' choice for their children when the choice of Family Child Care is no longer available.

To now sign up for a new application for CCFRI there is parent fee schedule that needs to be adhered to without any ability to appeal or state their case for their fees. The appeal process has been removed for this year's applications which to providers seems very unfair that they have no opportunity to state their case on why their fees are set at what they are. Especially as cost of living is increasing and FCC providers are seeing the large centres charging double what an FCC provider is charging in their area. This statement also goes with the paragraph above as the provider is charging a set fee based on how many children they can have in their facility and if the Before and After School revenue is removed; that requires the base fee for each child to be increased to account for this. Without having a chance to appeal the decision on any application this will make the child care sector not want to even make any application in the first place and the Universal Child Care Plan will not move forward smoothly. Each situation is different and needs to be looked at individually. Not all Family Child Care facilities are the same and cannot be looked at like they are all the same. There needs to be a process to appeal any decision with any of the child care programs.

The messaging coming out that parents will see a 50% decrease in the child care fees by December 2022 is very misleading for parents and leaves the child care operators to educate the parents on what this statement will mean to each individual parent. It will not mean that your fees will be decrease by 50% by December 2022, it will be an average over the full child care system in the province that will see the 50% decrease. This makes it very hard for the providers, as some parents do not believe them until they can see it in an actual Provincial memo. This will increase frictions between parents and providers and increase the emails and phone calls that the Government bodies will have to answer, increasing the work load for everyone.

The \$10 a Day plan does not say that those current Licensed Family Child Care providers will be grandfathered into the program and that moving forward (date to be set) new applications for Licensed FCC will require an Early Childhood Educator License to Practice. This information is very crucial and needs to be made public ASAP to help with all the unrest that is in the system today. If this clarification cannot be made public at this time, there needs to be something said to the effect that the Ministry is looking at what the future application process will look like for Family Child Care Providers and if all current Licensed Family Child Care can continue operating as they are now or something to that effect, as this is really making people think twice about entering into a profession that will not last more than a few years.

We need more qualified people entering the Child Care sector for the Universal Child Care Plan to move forward.

The move of Child Care to Ministry of Education has not been fully explained to the child care sector as well. I know myself that the move from MCFD to Ministry of Education by March 2023, will try to be a lateral move with as little disruption as possible to the child care programs. But I keep getting asked the same questions over and over about what child care will look like once the move is complete to Ministry of Education. This comes back to the information that is coming out not only to providers but to parents as well is not fully explaining all the correct and current information.

We all know that without correct and concise information given to all parties that the rumors and misinformation starts, and it is very hard to stop.

As an Association we have long held the position that ongoing education is crucial to maintaining the quality of the established system. Our Association would stand behind a requirement that every 5 years, ongoing training would be a requirement to maintain their Community Care Facility License. This was a requirement many years ago to obtain the previous Infant Toddler Grant with the annual renewal; ongoing training hours had to be signed off by your local CCRR as a requirement for the Grant. This could be either a requirement of your Facility License or your annual funding agreement with either the CCRR verifying or the ECE Registry being the body to do the verification, but this could be done today.

I look forward to a reply or a conversation on these items so that we can forward any information to our members.

Yours in Quality Care,

Rena Laberge, Chair
BC Family Child Care Association