PROVINCE OF BRITISH COLUMBIA

BC-Canada Early Learning and Child Care Agreement

Report on Progress and Results Achieved in Year 1 (2017/2018)

OCTOBER 1, 2018





Table of Contents

Introduction	3
Description of the ELCC Initiatives	4
Initiative #1: Early Care and Learning Partnerships	4
Initiative #2: Early Care and Learning Prototype Sites	6
Initiative #3: Training Fund to Support Recruitment and Retention of Early Childhood Educators	7
Initiative #4a: Expand Culturally Based Indigenous Child Care	9
Initiative #4b: Enhance Supported Child Development for Children with Extra Support Needs	10
Initiative #4c: Enhanced Funding for Young Parent Programs	11
Results on Innovation	13
Financial Table	15

Funded by the Government of Canada through the Early Learning and Child Care Agreement

Financé par le Gouvernement du Canada par l'Accord sur l'apprentissage et la garde des jeunes enfants



Introduction

On June 12, 2017, the federal, provincial and territorial ministers responsible for early learning and child care reached an agreement for a Multilateral Early Learning and Child Care Framework (Framework). The Framework sets the foundation for governments to work toward a shared, long-term vision where all children across Canada can experience the enriching environment of quality early learning and child care.

On February 23, 2018, the Government of British Columbia (BC) and the Government of Canada signed the BC-Canada Early Learning and Child Care (ELCC) Agreement (Agreement), which provides \$153 million over three years to the Province of BC to create and enhance programs that support early learning and care. Under the Agreement, the Government of BC will use the federal funding to:

- Support the creation of 1,370 new infant and toddler licensed child care spaces through the provision of capital grants;
- Provide operational funding to licensed child care providers to administer low and/or no-cost child care spaces, with a priority on supporting infant/toddler spaces, and significantly reduce parent fees for at least 1,786 children;
- Apply new streams of bursaries and grants to recruit and retain Early Childhood Educators (ECEs), and support up to 4,000 current and future educators in obtaining or upgrading their ECE certification;
- Direct new funds to expand culturally based Indigenous child care, which will create on- and off-reserve programming, 390 new spaces, and benefit approximately 590 families;
- Enhance inclusive programs for approximately 7,278 children with extra support needs; and
- Support young parents who are completing their secondary education.

The funding provided to BC through the ELCC Agreement complements the three-year, \$1-billion investment that BC is making under the *Childcare BC* plan. This investment is part of the Province's ten-year commitment to implement a universal child care system that provides BC families with access to affordable, quality child care when they want or need it.

The intent of this report is to provide an update on progress related to each of the ELCC Agreement initiatives. The scope of this report is for Year 1 of the Agreement, which covers the 2017/2018 fiscal year. However, since the Agreement was finalized near the end of the 2017/2018 fiscal year, data on the majority of the initiatives was unavailable at the time of release of this report. Therefore, this report will provide details regarding the planned activities and anticipated results of each initiative.

Description of the ELCC Initiatives

Initiative #1: Early Care and Learning Partnerships

Three-Year ELCC Budget Allocation

Table 1. Three-Year ELCC Budget for the Early Care and Learning Partnerships

Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/2020)
\$0	\$13.7 million (deferred from 2017/2018)	\$0

Description of the Activities and Results of the ELCC Initiative

The demand for licensed child care spaces in BC exceeds the existing supply, resulting in significant shortages across the province. The Community Child Care Space Creation (CCCSC) Program will address this demand by funding the creation of at least 1,370 new licensed child care spaces to serve children aged 0-5 years, with a particular focus on supporting the creation of infant and toddler spaces, which data indicates are in the highest demand.

The CCCSC Program will be administered by the Union of BC Municipalities (UBCM), which is an independent organization with membership from every local government in the province, as well as eight First Nations. UBCM will be responsible for overseeing the CCCSC Program application and selection processes and for distributing funding. Though UBCM has successfully administered other programs on behalf of the Province, the CCCSC Program represents a new, innovative child care partnership that allows the program to benefit from the organization's strong familiarity with local governments' perspectives on child care, and their unique approaches to service delivery.

To encourage the creation of publicly owned child care, local governments will be eligible for up to \$1 million from the CCCSC Program to support the creation of new licensed child care spaces located on local government property. The child care programs may be operated by either a public body (for example, a school district or local government) or a non-profit organization. The new spaces will be created in numerous communities across the province, with representation from different regions in both urban and rural areas.

In addition to prioritizing the creation of new licensed infant and toddler child care spaces that serve more vulnerable or underserved communities (see the next section), the CCCSC Program will contribute to supporting the creation of a number of child care spaces offering services outside of core business hours (e.g., evenings, early mornings, weekends, etc.) in order to serve more families who require care during non-traditional business hours.

Space Creation in B.C. through the Childcare BC New Spaces Fund

On July 6, 2018, BC launched the Childcare BC New Spaces Fund, which replaced the Province's former Child Care Major Capital Funding Program. The New Spaces Fund complements the space-creation efforts of the CCCSC Program through a \$221-million investment over three years, which will support the creation of 22,000 new licensed spaces. This is the single-largest investment to improve access to child care in BC, and will help thousands of families struggling with the shortage of quality child care.

Impact on More Vulnerable or Underserved Communities

The CCCSC Program will require that the child care programs be operated by a public body or non-profit, and will prioritize funding for projects planning to offer care outside of regular business hours, and/or benefit more vulnerable or underserved populations, including:

- Indigenous families and communities;
- Children with extra support needs;
- Lower-income families;
- Single-parent families;
- Parents under age 25 who are completing their secondary education; and/or
- Minority language and cultural groups, including recent immigrants and refugees, and francophone families.

Description of the Consultation Process

The CCCSC Program was created in partnership between the BC Ministry of Children and Family Development and UBCM, which serves as an advocate for local governments and their interests. UBCM is knowledgeable about the needs and concerns of local governments throughout BC, and contributed this knowledge and expertise in the creation of the program.

In November 2017, the BC Ministry of Children and Family Development hosted the "Towards Universal Early Care & Learning in BC" forum in Richmond, BC, in order to consult on the Province's approach to developing a universal child care system. One of the key themes that emerged from this consultation was that meeting BC's space-creation targets over the next three years requires the development of a capital funding process that generates greater degrees of partnership with public sector and Indigenous partners. The CCCSC Program is consistent with this feedback, as it provides an opportunity for local governments to take the lead on space creation projects within communities.

Initiative #2: Early Care and Learning Prototype Sites

Three-Year ELCC Budget Allocation

Table 2. Three-Year ELCC Budget for the Early Care and Learning Prototype Sites

Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/2020)
\$0	\$30 Million	\$30 Million

Description of the Activities and Results of the ELCC Initiative

Through the ELCC Agreement, BC is investing \$60 million over two years to convert existing licensed child care facilities into Universal Child Care Prototype Sites. These sites will support more than 1,800 licensed child care spaces – with a priority on infant and toddler spaces – into low- and/or no-cost spaces. Families using the Prototype Sites will pay a maximum fee of \$10 per day – or \$200 per month – per child, while some lower-income families will receive additional support through the Province's Affordable Child Care Benefit, and may pay no fee at all.

Improving Quality at Prototype Sites through Targeted Grants

In addition to receiving an enhanced level of operating funding that will allow facilities to offer low- and/or no-fee child care, Prototype Sites will receive a Quality Improvement Grant in March 2019 to implement site-specific quality enhancements that will be recommended following an initial evaluation. The grant can be used to implement new programs, initiatives, and/or make facility improvements aimed at supporting the delivery of quality child care.

Approved Prototype Sites will be on the leading edge of one of the largest social policy changes in BC's history, and will help test the funding and operational models that will be required to move BC toward a universal child care system over the next 10 years.

Being selected as a Prototype Site is an opportunity for providers of licensed child care to shape the future direction of child care in BC. The selected sites will participate in an evaluation of the Prototype Sites funding model that will collect information on the impacts of the funding on child care fees, program quality, and provider and family outcomes. This information will be used to inform decision-making regarding how to improve the funding model as BC continues to transition to a universal child care system over the next decade. The range of sites will provide the Province with a deeper understanding of what contributes to quality care, a sustainable and engaged workforce, a viable funding model, and effective organizational structures.

Impact on More Vulnerable or Underserved Communities

The positive financial impact on families with children attending Prototype Sites will be significant. In BC, the median monthly fee for licensed Infant/Toddler care delivered in a Group setting in the 2016/2017 fiscal year was \$1,050 per child. The maximum monthly fee at the Prototype Sites for the same type of care will be less than 20% of this amount.

In addition, the selection of the Prototype Sites reflects the diversity of BC's geography, populations and parent needs, with specific consideration being given to providers that serve Indigenous families, single-parent families, families in underserved communities, and parents working non-standard hours.

A subset of the Prototype Sites will also serve to pilot two alternate models of funding to deliver inclusive child care for children with extra support needs. These alternate models, and the existing Supported Child Development (SCD) and Aboriginal Supported Child Development (ASCD) models, will be evaluated in terms of sustainability, cost effectiveness, perception, and experiences of families and child care operators.

Description of the Consultation Process

The new Prototype Sites are the first step in exploring the feasibility and implications of a more affordable and sustainable universal child care system. Implementation of the sites responds to a key theme from the fall 2017 forum, which called for increased operational funding for licensed child care operators.

The Ministry also consulted with members of the Provincial Child Care Council, the statutory advisory body responsible for providing advice to the BC Minister of Children and Family Development.

The child care facilities selected as Prototype Sites were also reviewed and approved by an external review panel. This panel consisted of child care experts representing a variety of perspectives in the child care sector, including non-profit providers, Family Child Care providers, and Indigenous child care.

Initiative #3: Training Fund to Support Recruitment and Retention of Early Childhood Educators

Three-Year ELCC Budget Allocation

Table 3. Three-Year ELCC Budget for the Training Fund to Support Recruitment and Retention of Early Childhood Educators

Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/2020)
\$10 Million	\$6.3 Million (deferred from 2017/2018)	\$0

Description of the Activities and Results of the ELCC Initiative

Early Childhood Educators (ECEs) are critical to the quality of early care and learning in licensed facilities. Government cannot build a universal child care system without a qualified and well-supported workforce, and the need for qualified ECEs will increase proportionately with the planned expansion of child care spaces across the province.

In the 2017/2018 fiscal year, the Ministry allocated \$10 million to expand and enhance the Early Childhood Educator Bursary Program delivered through Early Childhood Educators of BC (ECEBC). ECEBC is the provincial association of ECEs, which promotes professionalism and improved educational preparation for its members, as well as on the development of professional support and resources to improve the quality of early childhood experiences for the children with whom they work. Since 2007, ECEBC has delivered an Early Childhood Educator Bursary Program, with financial support from the BC Ministry of Children and Family Development, to assist bursary recipients with the costs associated with pursuing their ECE credentials.

ECEBC's Bursary Program has been well received and utilized by the sector; however, barriers related to up-front costs associated with attending post-secondary training programs remain for many individuals. The \$10 million in ELCC funding enabled ECEBC to expand and rebrand the ECE Bursary program in September 2018. The new ECE Education Support Fund now allocates funding to two streams:

- 1. The ECE Bursary fund, which:
 - Increases the maximum amount of bursary available from \$300 to \$500 per course, up to a maximum of \$4,000 per semester; and
 - Provides 60% of the funding to students up front, with the remaining 40% provided upon proof of successful completion of the eligible courses.
- 2. The Workforce Development Bursary Fund, which:
 - Provides up to \$5,000 per semester to existing early care and learning professionals
 to help with the costs of taking time away from work to attend courses, including
 tuition, books and materials, occasional child care, and travel to courses and
 practicum placements that are away from their home communities.

The remaining \$6.3 million in federal funding to support the recruitment and retention of ECEs was deferred to the 2018/2019 fiscal year, and will be used to support the development, availability and accessibility of professional development for existing ECEs, and to respond to needs identified by the sector.

Description of the Consultation Process

Changes to the ECE Education Support Fund have been made in direct response to feedback that ECEBC has received from students and prospective applicants during the previous intakes of the

bursary program. This initiative also responds to feedback obtained during the fall 2017 forum, which called for increasing the amount of funding available for education, training and professional development for ECEs, and also improving the level of access to this funding.

Initiative #4a: Expand Culturally Based Indigenous Child Care

Three-Year ELCC Budget Allocation

Table 4. Three-Year ELCC Budget for Expanding Culturally Based Indigenous Child Care

Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/2020)
\$10 Million	\$10 Million	\$10 Million

Description of the Activities and Results of the ELCC Initiative

Aboriginal Head Start (AHS) Programs support activities focused on early childhood learning and development for First Nations children, from birth to age six, and their families. The goal is to support programming that is designed and delivered by First Nations communities to meet their unique needs and priorities.

Federal funding to expand AHS programs to include full-day child care will provide participating Indigenous families with no-fee, high-quality, culturally based, full-day child care, which includes wrap-around and inclusion supports. The program will support the healthy development of participating children within their cultures, and will enable parents to be employed or attend school while their children attend AHS. The program's focus on family and community means families will be connected to additional services, as needed, in addition to being connected to their language and culture.

The First Nations Health Authority (FNHA) administers the Aboriginal Head Start On-Reserve (AHSOR) program for First Nations communities with reserve land, and the Aboriginal Head Start Association of BC (AHSABC) administers the Growing Aboriginal Head Start in BC Program for Indigenous nations, organizations, and communities not associated with reserve land. These organizations are working closely together, as well as with the BC Ministry of Children and Family Development, to implement the expanded programs.

The AHSABC intake was completed in summer 2018, and the FNHA intake is expected to be completed in early fall 2018. Communities have been selected from across the province, and the first sites are expected to be announced in October 2018.

Impact on More Vulnerable or Underserved Communities

The AHS expansion will provide participating families with Indigenous-led child care based in culture and connected to community. Positive impacts on families include:

- An increased sense of cultural identity and belonging;
- Access to free child care;
- Language revitalization and preservation;
- Improved outcomes for children; and
- Improved access to additional supports due to a wrap-around approach (early intervention therapies).

Description of the Consultation Process

Through the AHS expansion expression of interest process, it has become clear there is significant additional demand for Indigenous-led child care that aligns with the AHS expanded model.

This initiative is also informed by feedback from the fall 2017 forum, where participants expressed the importance of creating greater opportunities and space to develop culturally relevant early learning and care services for Indigenous children and families.

Initiative #4b: Enhance Supported Child Development for Children with Extra Support Needs

Three-Year ELCC Budget Allocation

Table 5. Three-Year ELCC Budget for Enhancing Supported Child Development for Children with Extra Support Needs

Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/2020)
\$0	\$20 Million (of which \$10 Million deferred from 2017/2018)	\$10 Million

Description of the Activities and Results of the ELCC Initiative

The Supported Child Development (SCD) and Aboriginal Supported Child Development (ASCD) programs help the families of children who require additional support to access inclusive child care programs. The BC Ministry of Children and Family Development holds contracts with organizations from across the province in order to deliver these two programs. These organizations work with child care centres, preschools, family child care providers, and out-of-school-care programs, and provide consultation services and extra staffing to ensure inclusive practices for children who have a demonstrated need for extra support. ASCD is designed to specifically meet the needs of Indigenous children with extra support needs in a manner that ensures cultural safety and sensitivity for First Nations, Métis, and Inuit children and families.

The 2017/2018 fiscal year expenditure to enhance SCD and ASCD programs was deferred to the 2018/2019 fiscal year, enabling an investment of \$10 million in one-time-only funding and \$10 million to enhance the SCD and ASCD baseline funding amount. Key focus areas and activities completed

include:

- Determining the SCD and ASCD programs' key allowable expenses for \$10 million in one-timeonly funding;
- The BC Ministry of Children and Family Development's Service Delivery Division has been actively working with the 103 contracted SCD and ASCD service providers on developing spending plans; and
- As of September 14, 2018, almost all of the spending plans have been developed (97% of spending plans) and negotiations with contracted service providers are well underway;
- 93% of the spending plans have been executed.

It is anticipated that by March 31, 2020, the total investment of \$30 million toward the SCD and ASCD programs will enable an additional 1,428 children with extra support needs to access fully inclusive child care programming and result in over 350,941 hours of direct service intervention.

Impact on Families More in Need

ASCD programs are explicitly designed to support Indigenous children who have extra support needs to participate in culturally safe and sensitive child care programs, while SCD programs support children with extra support needs to participate in child care programs.

Description of the Consultation Process

Between March and June 2018, an engagement process took place with service providers contracted to provide SCD or ASCD services. The BC Ministry of Children and Family Development's Service Delivery Division worked to better understand current program needs, and to help determine priorities for funding allocations. The results of this consultation informed the allocation of the ELCC funding, and will help inform future investments.

Initiative #4c: Enhanced Funding for Young Parent Programs

Three-Year ELCC Budget Allocation

Table 6. Three-Year ELCC Budget for Enhancing Funding for Young Parent Programs

Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/2020)
\$615,000	\$1.385 million (of which \$385,000 was deferred from 2017/2018)	\$1 million

Description of the Activities and Results of the ELCC Initiative

Young Parent Programs (YPP) throughout BC offer child care services for children of young parents who are working toward completion of their high-school education. The aim of YPPs is to enable the young parents to obtain the education required to maximize their opportunities for professional

success, support them in their caregiving roles, and promote their child's development through access to quality child care.

YPPs provide full- or part-time care to children while their parents are attending school. They also provide additional wrap-around services to meet the needs of young parents and their children. These wrap-around services could include:

- Provision of meals/food;
- Nutrition and health education/supports (for example, on-site visits by registered nutritionists, public health nurses, dental practitioners, etc.);
- Housing supports;
- Counselling, or access to counselling;
- Transportation;
- Assistance with referrals to other community agencies; and/or
- Any other supports that assist young parents and their families.

Prior to the implementation of the ELCC Agreement, parents enrolled in a YPP could receive as much as \$1,000 per month toward their child care costs through the BC Ministry of Children and Family Development's former Child Care Subsidy (recently replaced by the Affordable Child Care Benefit) – an amount that exceeded the maximum level of funding available for non-YPP Child Care Subsidy clients. However, the full cost of providing care and the wrap-around services often exceeded the maximum level of available funding, and as a result, many providers sustained a financial deficit in order to continue providing care and services to YPP children and families. For example, in a 2015 report by the BC Council for Families¹, 46% of surveyed YPPs reported the amount they received through the Child Care Subsidy Program did not cover the full costs of providing their YPP program. This shortfall in funding has resulted in program closures, and has undermined the viability of others.

Through the ELCC Agreement, the Government of BC has increased the maximum monthly amount available to YPP clients to \$1,500 in order to promote the sustainability of the programs and help ensure young families receive this much-needed support.

In addition, through recent amendments to the *Child Care Subsidy Regulation*, which came into effect September 1, 2018, funding is now provided on an enrollment basis, rather than an attendance basis, providing enhanced stability for YPP facilities, and ensuring supports are available regardless of individual schedules.

¹ BC Council of Families and Alliance of Professionals Serving Young Families, 2013/14 Annual Survey of YPPs: https://www.bccf.ca/media/uploads/resources_pdf/apsyp_report_2015_final.pdf

Impact on More Vulnerable or Underserved Communities

YPPs are designed to support young parents under the age of 25 years who may otherwise lack the opportunity to complete their secondary education. Many YPP families are low income and/or single parents, and would have difficulty completing school in the absence of child care and supplemental wrap-around services. In addition, some YPPs offer specific Indigenous programming, including language immersion, partnerships with local First Nations councils and agencies, drumming, Indigenous liaison and support workers, weekly visits by elders, and Indigenous circles to provide critical cultural connections for YPP families.

Improving the Affordability of Child Care

The cost of child care in BC is among the highest in Canada, with median monthly fees as high as \$1,250 per month, or more, for infant and toddler care in Vancouver. While some parents could receive subsidy support to help with the cost of child care, the rates did not increase for many years, and did not reflect the actual cost of child care. On September 1, 2018, B.C. replaced the Child Care Subsidy with the new Affordable Child Care Benefit (ACCB), which provides higher rates and income thresholds. Families accessing child care can now receive up to \$1,250 per month, per child, depending on their family income, size, the number of children with special needs, and the type of care being accessed.

The new benefit program also expands the household income threshold to \$111,000 – up from \$55,000 under the old subsidy. With the launch of ACCB, the BC government is making child care more affordable for 80,000 BC families.

Results of the Consultation Process

The BC Ministry of Children and Family Development consulted with the BC Council for Families (a provincial network that provides parenting supports and professional development) during the spring and summer of 2017. The consultation process also included phone calls with YPP Program Coordinators in order to request feedback on the recommended options for enhancing supports to YPP programs.

Results on Innovation

Early learning and child care programs are operating in increasingly complex and challenging environments. New, innovative practices can help identify solutions that better meet the needs of

children and families, and can support more integrated and higher-quality early learning and child care programs. As part of the funding provided under the ELCC Agreement, and as illustrated in Table 7, BC is working to define, promote, and deliver identifiable innovative approaches to enhance the quality, accessibility, affordability, flexibility, and inclusivity of early learning and child care programs.

Table 7. Results on Innovation under the ELCC Agreement

Initiative	Innovation	Description of results
Early Care and Learning Infant/Toddler Partnership Sites - New Capital Grants (Community Child Care Space Creation Program)	A new emphasis on partnership with public-sector organizations will help to ensure that investments are used as effectively as possible. Because local organizations will be involved in planning and support for space creation, the types of spaces created are likely to be aligned with local community needs.	Progress toward the creation of 1,370 new child care spaces serving children 0-5 years, with priority given to spaces serving infants and toddlers, serving underserved populations, operating outside of core business hours, and operated by a public body or non-profit organization.
Universal Child Care Prototype Sites – Operational Funding	For the first time in BC, licensed child care operators will receive grants enabling them to offer child care spaces at low and/or no cost to families.	This initiative represents a new funding model for child care programs, supporting affordable, accessible, high-quality child care. Through this initiative, the BC Ministry of Children and Family Development will gather information regarding the costs associated with delivering low- and/or nocost child care in a variety of settings/programs, which will help inform future policies contributing to the long-term development of a universal child care system in the province.
ECE Training Fund	Providing enhanced funding support for both new and existing child care professionals to complete their ECE certification, including funding to offset wages while attending post-secondary studies for individuals employed in the child care sector in order to support growth in the sector.	As of September 2018, more students have access to funding, which will cover a greater portion of education costs than what was covered under the previous iteration of the program. This initiative also helps those working in the sector with opportunities to access courses to gain, maintain or upgrade ECE qualifications.
Indigenous Child Care	The investment exemplifies planning that is community driven and co-developed with several partners. Engaging federal and provincial funding partners in evaluation of applications for FNHA-led AHS maximizes funding impact by aligning resources.	FHNA assembled a review panel comprising provincial and federal funding partners to review over 80 expressions of interest for AHSOR funding. It also collectively reviewed applications and created a process to review how each community's need can be met through

	the array of funding opportunities from partners. This process was made possible through the relationships nurtured by the BC Ministry of Children and Family Development's Indigenous Early Years Advisory Circle.
--	---

Financial Table

The table below summarizes the funding provided under the BC-Canada ELCC Agreement for the 2017/2018 fiscal year, including amounts deferred to the 2018/2019 fiscal year.

Table 8. Summary of ELCC Agreement Year 1 (2017/2018) Expenditures

Initiative	2017/2018
Initiative #1 - Early Care and Learning Partnerships	\$0 (\$13.7 million deferred to 2018/2019)
Initiative #2 - Affordable Child Care	\$0
Initiative #3 - Quality Child Care	\$10 million (\$6.3 million deferred to 2018/2019)
Initiative #4a - Underserved Communities (Expand Culturally-Based Indigenous Child Care)	\$10 million
Initiative #4b - Underserved Communities (Enhance Supported Child Development Programs for Children with Extra Support Needs)	\$0 (\$10 million deferred to 2018/2019)
Initiative #4c - Underserved Communities (Enhance Funding for Young Parent Programs)	\$615,000 (\$385,000 deferred to 2018/2019)