

# B.C. budget 2019: Increase to child-care funding, new child benefit introduced <sup>[1]</sup>

Funding for the province's child-care plan will be increased by \$9 million per year, but universal \$10-a-day child care is still a way off.

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## AVAILABILITY

Access online <sup>[2]</sup>

## EXCERPTS

Child-care advocates are “really pleased” with the latest B.C. budget, saying it’s another step toward universal \$10-a-day child care.

“This is year two of building a child-care system. There’s no way to put a negative on that,” said Sharon Gregson, spokesperson for the Coalition of Child Care Advocates of B.C. “It is really happening, and we’ll be encouraging them to move as fast as they can.”

Finance Minister Carole James delivered the 2019 budget — the NDP’s second full budget — on Tuesday in the B.C. legislature in Victoria.

Child care was one of the two main focuses of last year’s budget, when the province announced its Child Care B.C. plan, which included fee-reduction subsidies, new spaces and pilot projects.

“In budget 2018, we took an enormous step forward, making the largest investment in child care in B.C.’s history, transforming child care and changing families’ lives for the better,” James said.

While the 2019 budget extended funding for the plan into the 2021-22 fiscal year and included a \$9-million-per-year increase to deal with deal with high demand for existing programs — bringing the total investment in the plan to \$1.3 billion — it doesn’t do much to build on what has already been announced.

“Let’s remember the child-care program is phased in over time, so over the next year you’ll see the minister and the ministry doing the evaluation of the prototypes on \$10 a day, looking at how we expand those, looking at how we provide further support for families, and that’s why the money is already allocated in the budget for 2018,” James told reporters.

Over the past year, the government has introduced a number of programs, including the child-care fee-reduction initiative, which cut day-care costs by up to \$350 a month per space depending on the age of the child and whether they are in licensed family or group day care. According to the government, 88 per cent of eligible child-care spaces are now participating in the program.

A maintenance fund was set up in June to help eligible child-care providers maintain existing spaces by providing funding to help with minor repairs or replace equipment so that they can meet licensing standards, as well as relocation costs. Startup grants were also offered for those providers wishing to become licensed.

In July, a \$237-million fund was announced to create 22,000 new, licensed child-care spaces across the province over the next three years.

The affordable child-care benefit was introduced in September 2018 to replace the existing child-care subsidy, saving eligible families up to \$1,250 a month per child.

In the fall, the government began a \$60-million pilot project to convert about 2,500 child-care spaces at more than 50 facilities into spaces that cost \$200 a month or less per child. The pilot will last until spring 2020.

The government has also introduced supports for early childhood educators, two initiatives with the Union of B.C. Municipalities meant to help local governments partner with providers to create child-care spaces.

These programs will continue to be funded into 2022, according to the budget, but universal \$10-a-day child care is not in the immediate future. However, Gregson said there is still reason to celebrate because the pilot program and fee reductions mean many people are paying \$10 a day for child care and it is “life changing.”

“Part of the issue is because the crisis was so bad, the chaos was so entrenched, it’s going to take more than a year or two before everyone has access to \$10-a-day child care,” she said, noting that it’s always been a 10-year plan for implementation.

Emily Gawlick, executive director of Early Childhood Educators of B.C., said her organization is encouraged by the budget.

“Absolutely we’re pleased. The commitment to building this child-care system remains steadfast,” she said. “We’ve seen over the past 12

months such huge impacts with the new funding.”

She said the wage increases are long overdue, and they will continue to push for wage parity for early childhood educators across the province.

“It has been a sector that has been under-compensated and undervalued, so there is a lot of work left to do,” Gawlick said.

The province also announced a B.C. child opportunity benefit to replace the early childhood tax benefit, which currently provides families with up to \$660 a year per child under the age of six.

The new benefit, which begins in October 2020, will provide families with one child up to \$1,600 a year, families with two children \$2,600 a year and families with three children up to \$3,400 a year. Instead of ending at six years of age, the benefit will be paid until the child is 18. The payment is reduced when a family’s net income climbs over \$25,000 and then again at \$80,000. The income level at which the benefit is fully phased out depends on how many children a family has — with one child, a family will lose the benefit at \$97,500 of family net income, and with two children at \$114,500.

The benefit will cost the B.C. government \$375 million over two years, and go to about 290,000 families.

James said the new benefit will be “transformational” for families, and she is proud to see it included in the budget.

“We really want to make sure that we have the opportunity for every child to thrive and provide more help to families in raising those children,” she said. “This really is a historic investment.”

Parents who have applied for the early childhood tax benefit or the Canada Child Benefit will be automatically registered for the new program.

The B.C. Poverty Reduction Coalition celebrated the benefit’s expansion — something they have long called for — but with a maximum benefit threshold of \$25,000 net income, said it only targets “deep poverty.”

Viveca Ellis, of the Single Mothers’ Alliance of B.C., said many single mothers and other families will see their benefit reduced even though they are still below the poverty line.

**Related link:**

**Region:** British Columbia <sup>[3]</sup>

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