

Vancouver living wage improves, but child care still a huge strain

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In North America's most unaffordable city, Vancouver teacher Sara Langlois now spends more on child care for her 15-month-old daughter than she and her architect partner do on rent.

"Day care is our biggest expense monthly," the 32-year-old says. "I think people would expect us to be able to afford life basics, but in Vancouver that's actually difficult."

The East Vancouver family spends \$1,453 on day care a month, totalling more than \$17,000 a year, so they can both work.

The new mom is grateful her family was recently accepted into co-operative housing, cutting their housing costs by one-third.

She's also grateful for a rare child care space, estimating she had to spend 200 hours applying to dozens of programs before getting a spot (and applying the moment she discovered she was pregnant).

"We're lucky people," she says. "But we [don't] feel like we can afford a second child. Or if we do, we'll have to wait until our first one finishes day care because we can't afford two day cares at that price."

In fact, the Langlois household's combined gross earnings are close to a newly released "living wage" for the Vancouver region.

A living wage represents the income needed for a two-parent, two-children family working full-time to pay for the basics, raise healthy children, be active in their communities and avoid fiscal strain.

That amount, according to a CCPA report released yesterday, clocks in at \$20.64 an hour for each parent, translating to roughly \$75,000 a year for a two-parent household.

What surprised researchers behind the eighth annual study, however, is that this year is the first time the living wage has fallen since calculations began in 2008, if only by four cents an hour.

"A four-cent drop doesn't seem like a substantial change," admits Deanna Ogle, with the Living Wage for Families Campaign, "until you look at the increase in costs that families face this year."

Rent is up on average by \$75 a month and medical premiums have risen annually, adding more than \$500 to family expenses since the inaugural living wage report eight years ago, and even food costs more today.

"Sure, families aren't getting much further ahead," Ogle notes, "but they're not falling as far behind."

Ogle credits the unexpected improvement in the living wage on a single factor, and it has nothing to do with the provincially regulated areas of minimum wage, nor affordable housing.

Rather, it's a different level of government that's boosting families' bottom lines this year: the federal Liberals and their promised Canada Child Tax Benefit, which kicks in this July.

"I was quite surprised to see how substantial the difference was with the [benefit]," she says. "It has balanced out those rising costs."

"We always say that public policy can have a really positive impact on the lives of working families, but to have such a huge impact on such a wide range of families is quite impressive."

Provincial subsidies frozen

Child care costs factor significantly in this year's living wage calculations, counting as the second-highest expense for most of the families in the demographic measured by CCPA senior economist Iglia Ivanova, who authored the report.

The median child care costs clock in at \$1,356 per month for two-child families, Ivanova says, but that can be somewhat offset by the new non-taxable income coming in when the federal benefit starts on Canada Day.

Meanwhile, the province's child care subsidy -- a \$120-million-a-year program affecting nearly 20,000 children, according to the government -- hasn't risen for kids under six since 2005, and is capped at \$550 a month, significantly below the median rate of child care costs in Metro Vancouver of \$925 a month.

"Maybe that's enough in Prince George, but it's not enough in Metro Vancouver," she says. "When [B.C.] last increased the subsidy, \$550 paid almost the entire cost of child care. Now even if you're low income, your subsidy is only around 60 per cent; the rest you have to pay out of pocket."

For Sharon Gregson, coordinator of the Coalition of Child Care Advocates of BC, the provincial subsidy rates need to be urgently addressed.

And despite seeing the value in the new federal tax credit, the advocate questions whether it's a long-term solution for struggling families in the region.

"Absolutely that kind of income support is valuable for families, who welcome that kind of relief," she says. "But no matter how big that child benefit is, it's never going to solve the child care crisis... It doesn't create any new access to child care, because there just aren't enough licensed, quality spaces to meet the demand."

Langlois is less charitable towards the tax measure. "A cheque in the mail is absolutely irresponsible. It doesn't guarantee access to daycare in any way... As a woman, I've always understood I am equal to men, that I can participate in workforce if I wish to. That is only possible if there is daycare."

That's why Gregson continues to lobby for a provincial subsidy that would ensure no British Columbian has to pay more than \$10 a day for child care, similar to a program in Quebec, and one that includes funding to increase the number of spaces as it reduces costs for families.

"There is now overwhelming demand for a solution to the child care crisis in this province," she says. "A \$10-a-day child care plan is a viable solution -- it's long overdue for the provincial government instead of tweaking the existing, dysfunctional system."

Gregson also questioned why the Ministry of Children and Family Development handles the day care file in B.C., instead of the education ministry as is the case in Ontario, where child care is seen as part of a continuum of learning and childhood development. (In Quebec, child care is handled by the ministry of families and seniors up until age four).

"We're talking about early childhood education," she quips, "not babysitting or children in need of protection."

The Ministry of Children and Family Development has budgeted nearly \$330 million for child care over the next year, according to an emailed statement, including a fund to help providers keep their operating costs down.

A one-year-old provincial Early Childhood Tax Benefit also helps 180,000 B.C. families with kids under six, the ministry says, to the tune of \$146 million a year.

"The province is committed to supporting sustainable child care in order that families can choose from a range of affordable, safe, quality child care options," a ministry spokesperson states in an email, citing its BC Early Years Strategy.

But universal child care like Gregson's \$10-a-day proposal is not in the cards.

"Unfortunately, implementing universal child care in B.C. -- at an estimated cost of approximately \$1.5 billion per year -- is simply not feasible in our current economic climate," states the ministry.

Single parents hit hard

The debt sentence that costly child care imposes on many families is even harder for single parents, Ivanova says, particularly in urban centres such as the Lower Mainland with rapidly rising living costs compared to relatively affordable rural areas and smaller communities.

That's partly because many provincial subsidies only kick in for the lowest-income single parent families, leaving those just above the threshold out of luck.

Gloria Yogyog, a 48-year-old mother of four in New Westminster, is barely able to support her family with a part-time job handing out 24 Hours newspapers at the SkyTrain station for \$10.50 an hour, just above minimum wage and just over half the 2016 "living wage."

"Rent's going up and food's going up," she said. "I have to cut down my expenses, but you can't control the rent or transit fares. Food is the only thing I can control."

Nonetheless, Yogyog tries to keep up with her sons' sporting and school expenses, but says it's upsetting that she can't afford all of them on her tightly disciplined budget.

"As a mother, of course I feel sad about it not to provide for the needs of my children," she says. "Sometimes, I need to skip a meal because there's no budget for it."

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