

NO: **R047**

COUNCIL DATE: **March 11, 2013**

REGULAR COUNCIL

TO: Mayor & Council

DATE: March 4, 2013

FROM: General Manager, Parks, Recreation and Culture **FILE: 4800-01**

SUBJECT: FCM Resolution Related to “A New Deal for Families”

RECOMMENDATION

The Parks, Recreation and Culture Department recommends that Council:

- 1) Receive this report as information;
- 2) Approve the Resolution related to “A New Deal for Families” that is attached as Appendix A to this report for submission to the Federation of Canadian Municipalities (FCM) for consideration at the 2013 FCM Convention in Vancouver; and
- 3) Authorize the City Clerk to forward a copy of this report and the related Council resolution to the FCM for its attention.

INTENT

The purpose of this report is to obtain approval to submit a resolution related to “A New Deal for Families” to the FCM for consideration at its Annual Convention to be held in Vancouver in June of this year.

BACKGROUND

In 2012, the Surrey Board of Trade, in partnership with Children’s Partnership Surrey-White Rock, put forward a Business and Families Position Paper to the Canadian Chamber of Commerce recommending the implementation in BC and Canada of “A New Deal for Families”, which is summarized in Appendix A of this report. The City of Surrey, in partnership with other stakeholders and collaborators including the Surrey Board of Trade, is committed to improving outcomes for children and families in Surrey and BC.

DISCUSSION

Over the past several years there has been significant research on family debt in Canada and this research consistently references the increasing crunch on families to find both affordable housing and affordable child care.

Surrey is home to a larger proportion of young families than any other municipality in BC. According to the 2011 Child Care Gap assessment by the Children’s Partnership of Surrey-White

Rock, Surrey has only nine licensed spaces for every 100 children between the ages of 0 and 6 years. According to a Metro Vancouver Child Care report (2011) Surrey and Langley have the lowest ratio of child care spaces to children in the lower mainland. West Vancouver provides 25 spaces for every 100 children and Vancouver with 18 spaces for every 100 children.

Work-life conflict among adults with pre-school age children costs the BC community in excess of \$600 million annually due to employee turnover, absenteeism, and health insurance premiums. The stress from the work-life conflicts costs the Canadian health care system \$2.5 billion annually, and the child welfare system another \$1.2 billion per year.

Approximately 31% of kindergarten-aged children in BC are assessed as developmentally vulnerable as a result of their early childhood experiences; in Surrey this figure of developmental vulnerability is 32% - almost one third of all children entering school. Although children that in poor households are more likely to be vulnerable, most vulnerable kindergarten children reside in the more populous middle and upper income households and neighbourhoods. Early vulnerability is stretching as families experience increasing challenges in finding affordable, quality care to balance their work and family commitments.

A 2009 study commissioned by the Business Council of BC reports that unnecessary vulnerability among the generation raising young children is costing the BC economy \$14 billion annually. The pan-Canadian cost is closer to \$60 billion annually.

Paul Kershaw, a UBC professor, has studied the issues that families face in relation to child care and has developed a paper titled "A New Deal for Families" that provides information in this regard and recommends a course of action that from his perspective will assist families in raising children to be productive adults, which will serve the broader interests of society over the long term. A summary of his work is attached as Appendix B to this report.

In view of the findings of Professor Kershaw, staff is recommending that the City of Surrey forward to the FCM the resolution that is attached to this report as Appendix A for consideration at its annual Convention that is being held in Vancouver in June of this year.

SUSTAINABILITY CONSIDERATIONS

The proposed resolution if adopted and acted upon by the provincial and federal government would assist in achieving the objectives of the City's Sustainability Charter; more particularly, the following action items;

SC5: Plan for the Social Well Being of Surrey Residents:

1. By creating a child and youth friendly City;
2. By creating programs and recreation opportunities for children and youth; and
3. By undertaking initiatives to encourage citizen engagement with social issues and social planning activity to build community capacity.

SC16: Socio-cultural Infrastructure and Services

1. Understanding, acquiring and maintaining knowledge about the issues affecting the city in each of the social service issue areas;
2. Advocating to seek resolution to issues in the City of Surrey by sharing information, discussing needs, assisting in developing solutions and establishing priorities with other orders of government, funders and community stakeholders; and

3. Supporting the implementation of solutions to social service issues through actions that are within the City's mandated responsibilities.

CONCLUSION

Based on the above discussion, it is recommended that Council:

- 1) Approve the Resolution related to "A New Deal for Families" that is attached as Appendix A to this report for submission to the Federation of Canadian Municipalities (FCM) for consideration at the 2013 FCM Convention in Vancouver; and
- 2) Authorize the City Clerk to forward a copy of this report and the related Council resolution to the FCM for its attention.

Laurie Cavan
General Manager
Parks, Recreation and Culture

Appendix A – Resolution Regarding "A New Deal for Families" for BC and Canada
Appendix B – A New Deal for Families, by Paul Kershaw

Appendix A

ENDORSEMENT of the Recommendations in “A NEW DEAL for FAMILIES”

“WHEREAS research points to the increasing financial challenges facing families with young children that are resulting in developmental vulnerability in children due to ineffective child care;

WHEREAS 31% of kindergarten-aged children are assessed as developmentally vulnerable as a result of their early childhood experiences, which has serious ramifications in relation to the costs and outcomes that society will experience as these children become adults;

THEREFORE BE IT RESOLVED that the Federation of Canadian Municipalities urges the Governments of Canada in collaboration with the Provinces and other stakeholders to immediately implement the policy recommendations presented in the document titled “A New Deal for Families”, which was prepared by Dr. Paul Kershaw of the University of British Columbia.

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Fact Sheet | 2011

A New Deal for Families

UNICEF ranks Canada among the worst industrialized countries when it comes to investing in young families.

[blogs.ubc.ca/
newdealforfamilies](http://blogs.ubc.ca/newdealforfamilies)



There is a silent generational crisis occurring in homes across Canada. The Generation raising young children today struggles with less time, stagnant household incomes, and skyrocketing housing costs compared to the 1970s. The failure to invest in the generation raising young children is not consistent with Canada's proud tradition of building and adapting.

Canada has become a country in which it is far harder to raise a young family. The country's economy has doubled in size since the mid-1970's, yet the new reality for parents with preschool children is a decline in the standard of living. Compared to the previous generation, the average household income for young Canadian couples has flat-lined (after adjusting for inflation) even though the share of young women contributing to household incomes today is up 53 per cent. Meanwhile, housing prices increased 76 per cent across the country since the mid-1970's.

The generation raising young children today is squeezed for time at home, squeezed for income because of the high cost of housing, and squeezed for services like child care that would help them balance earning a living with raising a family.

A practical solution is proposed: A New Deal for Families with Young Children.

This New Deal will provide a Time Dividend to families, to ensure that the generation raising young children accesses 2.8% of the economic prosperity produced today compared to the mid-1970s.

The Time Dividend will:

...put the family back into Canadian values, while acknowledging the diversity of households, and recognizing the very different

circumstances facing parents today compared to the Baby Boomers;

...provide choices for women and men to contribute at home and on the job, while enabling personal responsibility for moms and dads alike as they have enough time to raise their kids, and enough time to earn a living.

The New Deal is centered on three core policy changes:

1. **New Mom and new Dad Benefits** will ensure all parents, including the self-employed, have the time and resources to be at home with their newborns, at least until children are 18 months.
2. Thereafter, **\$10 a day child care services** will ensure that parents can afford enough employment time to manage the rising cost of housing and stalled household incomes.
3. These will be supported by **flex-time for employees and employers** to remedy workplace standards that too often make it standard practice to ignore the family.

A full description of these policy changes is detailed on the second page of this brief.

The New Deal for Families would substantially increase parental care of infants and, in most cases, family income. In addition, the New Deal provides families with increased access to high quality, affordable child care services and parenting support programs.

A NEW DEAL FOR FAMILIES

The evidence is clear. The generation raising young children is getting a bad deal across Canada. The only solution is a New Deal for Families, a strategy that requires three policy changes:

NEW MOM AND DAD BENEFITS

WHY?

To transform the uneven access to parental leave into a benefit system that ensures all parents, including the self-employed, have the time and resources to be home with their newborns.

HOW?

Extend parental leave from 12 months to 18 months, generally reserving the extra six months for dads (with exceptions for lone parents and same-sex couples). Introduce a healthy child check-in and parenting support program during a child's first 18 months to monitor for early developmental delays and to answer parents' questions regarding children's feeding, sleeping, crying, etc.

DETAILS

Benefits would be available to ALL single- and dual-earner households regardless of parents' attachment to the labour market (including the self-employed). Moms and dads who currently do not qualify for leave would see their after-tax income increase by at least \$11,000 in the 12 months following the birth of their child. Leave would be made affordable by insuring 80 percent of parents' income up to \$60,000 a year. This increase will double the existing maximum benefit. The new minimum benefit will be \$440 weekly, enough to eradicate child and family poverty for this age group

\$10/DAY CHILD CARE SERVICES

WHY?

To remedy the current system of unregulated, unaffordable child care services, thus ensuring that parents can spend enough time in employment to manage the rising cost of housing and stalled household incomes.

HOW?

Reduce child care service fees to no more than \$10/day (full-time) and \$7/day (part-time) making it free for families earning less than \$40,000/year. Ensure quality services by providing funding for ample caregivers on site so that children spend their time in developmentally stimulating activities and play, including children with extra support needs. Caregivers will have appropriate training in child development and will be paid pay equity wages.

DETAILS

Universal, affordable child care services would support healthy child development by supplementing, but never replacing, the care that families provide directly. Families could choose to use the services regardless of parental employment. Families could also choose to access parenting support even if they do not use child care services. Programs will reflect the diverse cultures in local communities. Where numbers permit, families could choose programs that feature a language other than English or French in recognition that Canadian families speak many languages at home. For Indigenous citizens, funding is allocated to enrich services that prioritize exposure to the languages and cultures of First Nations, Métis and Inuit as part of Canada's commitments to Truth and Reconciliation.

FLEX-TIME

WHY?

To remedy workplace standards that ignore the family by ensuring all employees can choose to combine work and family successfully.

HOW?

Adapt overtime, Employment Insurance and Canada Public Pension premiums paid by employers to make it less costly for businesses to use employees up to 35 hours per week, and more costly for hours thereafter. Overtime will kick in at 35 hours a week (averaged over a year). Overtime premiums will be paid either as cash or earned time away from work.

DETAILS

With new incentives, employers would reduce the work week by 3-5 hours on average for the half of men and the third of women who currently work more than 40 hours/week. These employees would trade some after-tax wages (or future wage increases) in order to gain four more weeks of time per year. In negotiation with employers, this time could be taken in chunks, or as earned hours away from work each week throughout the year. Changes to the National Child Benefit Supplement will ensure any reduction in employment hours does not reduce income in low-earning families. This may be especially important for some lone parent households. Employees who currently work part-time hours would gain opportunities for more employment. Within two-parent homes, flex-time may not change the total hours that parents work, but redistribute them more evenly between dads and moms.

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From a
BAD DEAL



to a
NEW DEAL

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