



202-1193 Kingsway, Vancouver V5V 3C9  
Phone: (604) 873-8437/Fax: (604) 874-9898  
E-mail: [info@firstcallbc.org](mailto:info@firstcallbc.org)  
<http://www.firstcallbc.org>

**Submission to Select Standing Committee on Finance and Government Services  
BC Budget 2010 Consultation, October 2009  
By First Call: BC Child and Youth Advocacy Coalition**

First Call is a non-partisan, cross-sectoral, provincial coalition of 91 partner organizations and individual British Columbians who share a commitment to ensuring children and youth receive “first call” on the resources of government and society.

**What the Research Says**

Our advice rests on an overwhelming body of research, both Canadian and international, about human brain development, the causes and consequences of health inequities, the life-long harmful effects of growing up in poverty, the importance of public education in a democracy, child rights, and the cost effectiveness of prevention.

The Conference Board of Canada’s most recent report card identifies poverty as the main social challenge that must be addressed in Canada. This is important for BC to pay attention to because we have had the highest child poverty rate of all provinces for 6 years in a row, *and those figures were from the good economic times, prior to 2008*. You can reference the statistics on this in our [BC Campaign 2000 Child Poverty Report Card \(2008\)](#).

As research by many of our health partners has pointed out (see, for example, [Health Inequities in British Columbia \(2008\)](#)), the burden of preventable health inequities alone is already costing us heavily in health services and lost productivity. Reducing income inequality, or the gap between the rich and the poor in BC, is one of the key recommendations for addressing this issue. As noted in the BC Healthy Living Alliance’s September 2009 policy recommendation document, [Healthy Futures for BC Families](#), “[poverty] is deleterious at all stages of life, but childhood poverty has been shown to have a negative effect on social and health outcomes that lasts across the life course.” (p. 5)

In another important piece of research, [15 by 15, A Comprehensive Policy Framework for Early Human Capital Investment in BC](#), just prepared for the BC Business Council by the Human Early Learning Partnership at UBC, the authors calculate a \$400 billion loss in GDP growth over the next 60 years if we don’t reverse the rising trend of young children’s vulnerability upon school entry, which currently stands at almost 30%. This unnecessarily high early vulnerability is costing the BC economy a sum of money that is 10 times the total provincial debt load.

Additionally, the research evidence from both income studies and health studies demonstrates that both employment and earning levels and health outcomes improve with higher levels of education. Well-educated citizens generally pay more taxes, contribute more to the economy and rely less on government services. Cuts to funding for public education and rising tuition fees

for post-secondary programs are moves that ignore this evidence and undermine our children's future prospects.

**It's time for BC's fiscal policy to act on this research evidence if we are serious about improving outcomes for children and building a healthier, more prosperous society for all.**

### **Reducing Child and Family Poverty – A Key Priority**

As we recommended last year, First Call urges the BC government to adopt a comprehensive poverty reduction strategy with targets and timelines for the reduction of child and family poverty. We propose a target of cutting child poverty in half by 2017. Our detailed recommendations to help achieve this goal include:

- a higher minimum wage of at least \$10 per hour, indexed to increases in the cost of living,
- reasonable rates of social assistance, based on actual living costs, indexed to increases in the cost of living, along with restored earnings and child support exemptions,
- high-quality and accessible child care, and
- greater investments in increasing the supply of affordable housing for families.
- We call for government to assign a cabinet minister with the authority and responsibility to ensure that the strategy is being implemented and that the province is on track for achieving the targets.

(See [BC Campaign 2000 Child Poverty Report Card \(2008\)](#), Fact Sheet #10)

Given that a majority of BC's poor children have parents in the labour force, we urge government to look at its contracts with service providers, both non-profit and for-profit, through the lens of ensuring living wages are paid to all contractors' employees. Leadership on this issue is crucial to avoid the problem of government indirectly paying poverty level wages and contributing to the rise in children's vulnerability levels, while paying for services to reduce vulnerability.

These poverty reduction measures are especially important for Aboriginal families, lone mother families, immigrant and refugee families and families with children with disabilities, as they are all over-represented in the poverty and vulnerability statistics.

### **Supporting Services Needed by Children, Youth and Families**

In these tough economic times, it is more important than ever to pay attention to the supports needed by families raising children and to the direct services children need to reach their optimal development. As jobs are lost, family stress increases. **This is definitely not the time to try to save money by cutting services.**

Government's promise to expand the entitlement for all day kindergarten for all 5 year olds is most welcome. This is just the kind of forward-thinking policy we need. However, the actual dollars provided by the September 2009 budget update (\$116.2M over 2 years) are considerably less than the government promised (\$151M over 2 years) and even further below the real cost that the Early Childhood Learning Agency advised would be required to implement this program.

When this is added to the fact that the portion of the provincial budget that is spent on the K-12 system has shrunk from 18% to 13% over the past 8 years, that additional costs, such as

increased MSP premiums are being added to school district budgets, and that promised funds have been yanked back with no notice in the middle of budget years, First Call has serious concerns that public education in this province is not being protected, but forced to cannibalize services to students to cover shortfalls and increased costs. Vulnerable students, including those with special learning needs, most often bear the brunt of this chronic under-funding. We cannot expect to sustain a quality public education system while subjecting it to this kind of treatment. Re-investment in our children's education is both fiscally prudent and urgent in a time of recession.

First Call also recommends that the 2010 budget contain a significant investment in a comprehensive early learning and care plan for children under 5. BC urgently needs to start building a universal, affordable and high quality child care system to replace the largely parent-funded and inadequate patchwork we have now.

Youth unemployment is at an all time high of over 21%. That rate is double for particularly disadvantaged youth, kids moving out of foster care, immigrant and aboriginal youth, - young people whose lives have been difficult from day one. Specialized youth employment and training centres are an effective way to assist these youth to find and keep productive jobs. If we lose them at this age, we are likely losing their productivity forever. We urge the government to continue to support and expand this investment in the future.

### **Tax Policy that Invests in Human Capital**

We are looking for the 2010 provincial budget to demonstrate the wisdom of long-term thinking which judges every tax and program spending measure from the view of its impact on the well-being of Canada's children and families and places children's rights at the top of the priority list.

Tax cuts that reduce government's ability (our ability) to provide the necessary supports and services children, youth and families need are not helpful. Top income earners have benefited most from income tax cuts, while low income families benefit little and lose access to social supports. We do not recommend reducing government's capacity to support public institutions and caring community services through additional tax cuts.

In fact we are looking for the 2010 budget to enhance the budgets of the ministries most relevant to child and youth services in order to reduce wait lists (e.g. for assessments and therapies), to reduce caseloads and class sizes so social workers and teachers can be more effective, to restore the services in schools that are essential to the success of vulnerable students, to expand specialized services for at-risk youth, and to provide sustainability to essential community-based child, youth and family support programs.

**The government funding cuts that have been and are being made to the social and human services should be restored, and the provincial deficit should be allowed to grow to cover them.** The projected savings from these cuts to the social safety net and key public institutions will translate into much greater costs down the line, as predicted by experience and volumes of strong research evidence.