

Remarks for Regina City Council Budget Meeting – December 10, 2018

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(Citations for all statistics and quotes are in the written brief submitted on behalf of the Daycares seeing tax exemption
September 29, 2017)

The NEED for Daycare Tax Exemption

In Regina, there are care availability challenges. Only about 12% of our children (per capita) have access to license child care. Nationally, the per capital care availability rate is 24%. Every other province is above the 20% mark.

In June 2018 a study by the *Canadian Centre for Policy Alternatives*, identified Regina as 7th worst City in Canada for childcare availability. (Saskatoon was #1 worst).

There are also quality challenges. A 2005 Saskatchewan Institute of Public Policy paper described the province's child care as "*a collection of small, poorly supported community-based programs – often in poor facilities – that struggle while public policy fails to support them adequately enough to ensure the quality is high enough to make them 'early learning' programs.*"

Saskatchewan is the only jurisdiction west of Newfoundland where Licenced, non-profit Daycare Centres pay commercial property taxes. Alberta, Manitoba and New Brunswick tax exempt their non-profit daycares. Ontario and B.C. tax them residentially.

These are red flags. They indicate Regina is out of step with the majority of Canada.

The COST

For daycare, a tax exemption is an investment not at handout. The cost it small. The estimated foregone revenue is approximately \$40,000, or .0086% of the \$460 million total General Fund revenue.

Yet, the returns are great. In Saskatchewan, it is estimated that one dollar invested in a high-quality early years program can result in a return of \$4 to \$9 over the lifespan of the child.

This returns on investment come from lower crime rates, lower costs of policing, less poverty, less use of social programs like social housing. In other words, **it serves to reduce City spending in other areas.**

Why is This The City's Problem?

Because cities matter. As a relevant force in shaping our communities, you must tackle relevant community issues. Our child care shortage is a very important issue for a large percentage of Regina's residents. Kids are our future leaders, workers and citizens – every level of government needs them, benefits from them, and has an obligation to support them.

As our City grows, it will become a place where residents increasingly seek services. **THE OCP says, “*the community frequently turns to the City, the government that is closest to the people, for help and answers to local problems.*”**

Many of the child care Centres Regina has are community-organized responses to a community need. We are simply asking City Council to support these grassroots, community-led initiatives.

This wouldn't be the first time a major city showed leadership on the issue of daycare. In Edmonton, the report of the *EndPoverty Edmonton* Task Force, released in September 2015, identifies three strategies to advance early learning and care. The Task Force, co-chaired by Edmonton's Mayor, identified affordable, accessible, high-quality child care as a critical part of the social infrastructure required to eliminate poverty. Since the release of the report, a planning team has worked to identify how the City of Edmonton can advance the report's strategic priorities with the support of other community stakeholders as well as the different levels of government.

The Precedent Problem

Concern has been expressed about setting a precedent. If we help daycare, whose Next? Where does it end?

Should the City find itself in a similar situation were a whole sector illustrates a case as strong and compelling as daycare (see the Brief for supporting data), Council should assess its merits and consider the handling of the request on a case by case basis.

There are many excellent non-profit organizations doing good work in Regina. **But child care supports children, families, businesses and the economy like no other.** Businesses, investors and young families are not attracted to Regina for its non-profit sector. But they are attracted to a strong economy, jobs and accessible childcare.

Childcare Centres are educational facilities and places of early learning and childhood development. So much so that they are included under the Ministry of Education and allowed to operate within schools. Therefore, it is appropriate to view child care Centres in much the same way we view elementary schools. **Daycares outside schools are educational institutions as well. Few other organizations can equate themselves with schools (and can make a claim to be treated like a school) the way Daycare can.**

The City can point to all of the above factors to distinguish Child Care from any other sector.