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Childcare: Manitobans Should Curb Their Enthusiasm

In light of the recent federal budget, Manitobans might be expecting some significant improvements to our province's childcare system.

This perception is fueled by recent *Winnipeg Free Press* coverage ("Day care gets \$33 million boost: New national program will help fund another 5,000 spaces in province.") On close read, however, the rosy scenario loses much of its bloom.

On March 13, 2003, the federal government announced a \$900 million five-year multi-lateral framework on early learning and care. The framework builds on the previous work of the Early Childhood Development (ECD) Agreement, with its four-part cafeteria of initiatives (promoting health pregnancy, birth and infancy; improving parenting and family supports; strengthening early childhood development learning and care; and strengthening community supports.) This approach allowed provinces to allocate ECD cash to any one of the four areas, and allowed some provinces, such as Ontario, to put nothing into regulated childcare (For comparison, Manitoba spent about 20% of last

year's ECD money on regulated childcare.) The innovation in the March agreement was a firm commitment that federal funds were to promote early childhood development and that

investments were to be made only to provincially/territorially regulated early learning and childcare programs, although they could also extend to parent information and referral services.

Manitoba anticipates receiving \$33 million over the five years of the agreement. Family Services and Housing Minister Drew Caldwell is reported to have said that the funds will permit another 5,000 subsidized childcare spaces. He also, quite rightly, has cautioned Manitoban parents not to expect dramatic improvements.

Manitoba currently has 24,600 licensed childcare spaces. Historically, between 40 - 50 percent of Manitoba's spaces typically have been subsidized for

low-income parents. In 2001, there were 10,964 subsidized spaces. The majority of parents paid full fees, of between \$3,144 - \$7,280 per child/year depending on the age of the child. The new dollars coming to Manitoba through the just-signed multi-lateral agreement will enable up to another 5,000 spaces

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This is a far cry from the Winnipeg Free Press coverage of March 14, which declared that 'the extra cash will add another 5,000 spaces in the province, a 20 percent increase over the existing 25,000 spots.' To the contrary, Manitoba is likely to continue to have a childcare space crisis.

For Manitoba's 186,000 children under the age of 12, there are just 24,600 licensed spaces— meaning only 12 percent of Manitoba's youngsters have access to licensed care. The remaining seven out of eight children must make do with private, unregulated arrangements where no safety or quality standards of any kind are in place.

Scarce and Expensive

Childcare is scarce and expensive in Manitoba. In the province's "Five Year Plan for Child Care," launched in April 2002, there are no plans or targets for the growth or expansion of licensed spaces in the province. While the Five Year Plan does propose "significant expansion" of part-day nursery schools (which are rarely used by working parents), there are no numbers attached. Worse, the Five Year Plan contains no capital or development funds to assist community groups to startup or expand new or existing childcare centres. It offers historically under-paid yet vitally important early childhood educators an insulting 10 percent salary increase over five years (working out to about 2 percent annually, or roughly the equivalent of the cost of living.)

Thus, the federal announcement is a bitter disappointment for childcare advocates. Have-not provinces such as Manitoba must rely on federal cost-sharing for social programs. The best estimate of the cost of a fully-developed national early childhood care and education system for children aged 0 - 6 years (excluding school-aged children aged 6 -12) is \$7.4 billion/year— well under 1 percent of GDP, which is what many European countries spend. Under such a scenario, Manitoba would need to spend at least \$266.4 million/year on childcare. Compared to our 2002-2003 childcare budget of \$67.1 million, Manitoba would need to quadruple or better its childcare spending.

The federal program does not make these much needed funds available to Manitoba or any other province. Sadly, there will be just \$25 million in the first year and \$75 million in the second. By the end of year five, the amount will be a scant \$350 million—less than one-twentieth of what is needed to build national childcare. There are, moreover, no bench-marks or timelines; no penalties for non-compliance; and no agreement on the principles of national quality standards (like the guaran-

tees contained in the Canada Health Act.) The Free Press is therefore incorrect in reporting that provinces had to agree to basic standards of care and safety.

The scenario is not completely gloomy, however. Aboriginal communities are slated to receive a dedicated \$35 million over five years. Provinces must spend their funds on regulated care (or parent information/referral), instead of the gray-market of unregulated care. Federal funds are not targeted to poor families nor are they part of a mechanism to push parents off social assistance into the labour force. Ottawa has insisted on baseline reporting and accountability requirements which will permit some public scrutiny. National news media claims that this is a 'no-strings attached' plan are therefore an exaggeration.

For Manitobans, it might be fair to say that the new multi-lateral agreement in the context of our home-made Five Year Plan means this: childcare is firmly on the public and political agenda, provincially and nationally. As importantly, we've yet to move beyond the first lurch of baby steps.

—Susan Prentice

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