

Introduction

Throughout the 1980s, Manitoba was recognized as a Canadian leader in childcare. In 1987, University of Alberta researcher Dr. Chris Badgley declared that “Manitoba has the best system of training and daycare in North America.”²

If he were commenting on Manitoba’s childcare system today, Dr. Badgley would be unlikely to laud Manitoba’s childcare system so effusively. After assessing the changes that have occurred over the decade, observers must conclude that Manitoba’s childcare system has lost significant ground. We no longer qualify as the national leader we once were.

Moreover, Dr. Badgley also would be unlikely to use the term “daycare.” Among policy analysts and early childhood educators, the term has generally been replaced with “childcare” or “early childhood care and education.” This shift is more than semantic: it acknowledges that a collection of services, including nursery schools, kindergarten, “daycare,” recreation, developmental and other forms of assistance are part of the package of care that helps children flourish. But these various services belong to widely separated policy and administra-

tive fields — and they are rarely coordinated or coherent.

Why does it matter that childcare is uncoordinated and has eroded? To Manitoba’s 22,112 children and their families who use licensed childcare, the erosion means poor access and worsened quality for expensive service. To the nearly 2,600 early childhood educators who work in this province, the decade has been marked by a staggering drop in real income. The estimated 175,000 Manitoban children who do not have access lose out on the many documented benefits of early childhood care and education. Increasing numbers of parents report difficulties juggling the conflicting demands of work or education and home. Women’s equality is compromised when services are unavailable/unaffordable, or when their care-giving labour as childcare staff is systematically under-paid. There are labour-market consequences when childcare is unavailable — absenteeism rises and productivity drops for working parents who do not have reliable childcare.³ Parents who can’t find or afford good childcare are barred from finding and keeping jobs. In short, the fate of childcare matters to chil-

dren, parents, workers, families, women, employers and society.

Child care is a public good, according to experts from economics, health, education, social services and social perspectives.⁴ Research shows that high quality child care enhances all children's healthy development, is a support to all families regardless of their labour force status, and is a precondition for women's equality. Child care promotes school readiness, helps build healthy communities, helps reduce poverty, creates jobs, facilitates economic self-reliance, contributes to the life-long good health of children, and aids in the building of safer communities. Researchers also point out that inclusive early childhood services strengthen appreciation for diversity and promote equity among classes, levels of ability, racial and ethnic groups, and generations, strengthening social solidarity.⁵

These observations extend the older view that "daycare" is primarily a labour market issue. In 1984, the Winnipeg Social Planning Council could easily argue that the level of demand for day care "is primarily a function of the number of children of preschool and early school age whose mothers or sole-support fathers are in the labour force or attending school."⁶ Today, experts from widely divergent fields — including population health, law enforcement, economics and business — are converging on an understanding that quality early childhood care and education programs provide significant and demonstrable benefits for *all* children.⁷

Unquestionably, childcare is an important aspect of economic and employment policy. The National Council of Welfare claims that "good child care makes an enormous difference in the ability of poor families to find and keep jobs." But, as they also point out:

Any social policy that is serious about supporting children and families must have child care at its centre..... Good early childhood education has enormous benefits for children, their families and their communities... Preventing problems and ensuring that children have the best possible start early development makes good economic sense....Many social programs support families but child care is the backbone of them all.⁸

According to public opinion polls, Canadians consistently support child care. A 1998 poll conducted by Environics for the Canadian Policy Research Network found 76% of Canadians believe a child care system should be available for all families, with the costs shared by governments and families.⁹ In 1992, Decima Research found only 15% of Canadians were against increased federal spending on childcare.¹⁰

Canadians have good reason to support public investment in childcare. Recent economics studies demonstrate that \$2 of social benefits flow from every \$1 invested in childcare.¹¹ The Vancouver Board of Trade has weighed in on this matter, concluding that "the economic payback" from investing in early childhood care "is spectacular."¹² The National Council of Welfare concludes that "early childhood education should be at the very top of the agenda for public investments."

Childcare in Manitoba 1989 - 1999

Introduction

Childcare service may take place in group centres or private homes; may be all-day or part-day, full or part-week; may be full or part-year; may be paid for directly by parents or may be subsidized by government. Services may be used for child enrichment, because parents work, study or are otherwise engaged, or to meet social, cognitive or other developmental needs. For a fee, children from infancy to age 12 are eligible to use one of Manitoba's 22,112 licensed childcare spaces.

Most analysts agree that Manitoba has an insufficient supply of licensed care, although they may disagree on how much expansion is needed. It is far from simple to determine how many licensed childcare spaces are needed.

How much childcare does Manitoba need?

The provision of licensed child care spaces lags far behind estimates of child care needs in all provinces.¹³ Over a decade ago, the Manitoba Task Force on Child Care noted there was a "severe shortage" of licensed childcare spaces in Manitoba.¹⁴ But assessing need is far from straightforward.

In 1998, about 195,700 children under the age of 12 years lived in Manitoba, and about 132,00 of them had mothers in the paid labour force.¹⁵ The National Council of Welfare therefore concludes that Manitoba should have about 132,000 spaces — nearly six-and-half times the

number of spaces currently available.¹⁶

Unfortunately, because of gender biases in how data are kept, we do not know the comparable rates of employment for fathers. Aside from the tiny number of men who are known to be at home on leave with newborn or newly adopted children — about 3-4% of those on leave — we have little data about fathers' work/family patterns.¹⁷

In Manitoba, there is a licensed childcare space for about one in 10 children under the age of 12 years (1998). From a national perspective, Manitoba's access is close to the Canadian average. But our performance falls short of that offered by many other jurisdictions. For example, in the fifteen member states of the European Union, between 75 - 99% of all preschool children aged three to six years are in educational childcare programs, whether or not their parents are employed.¹⁸ This policy approach is not restricted to European countries. Children in Quebec are also entitled to early childhood care and education, regardless of their parents' activity. British Columbia is also moving toward universal entitlement to childcare. If need were assessed by European Union, Quebec or emerging BC standards, Manitoba would require close to 195,700 spaces — about ten times the number of spaces currently available.

How much and what kind of licensed care exist?

In Manitoba, regulated childcare is a responsibility of the Ministry of Family Services and Housing, under the Child Day Care Office. The province permits two streams of licensed care: daycare centres and family day care homes. In March



2000, these facilities were licensed for 22,112 spaces for children aged 0-12.¹⁹

Licensed spaces are best thought of as *potential spaces*, since not every licensed space is fully used. Over the past decade, utilization rates have ranged from 50 - 84% in homes and centres.²⁰ Given affordability and access problems, few facilities operate at their full capacity. Spaces go unused when parents can't afford them or when hours of service don't match family needs, contradicting those who might claim that low utilization indicates a lack of parental interest or support.

Centre Care

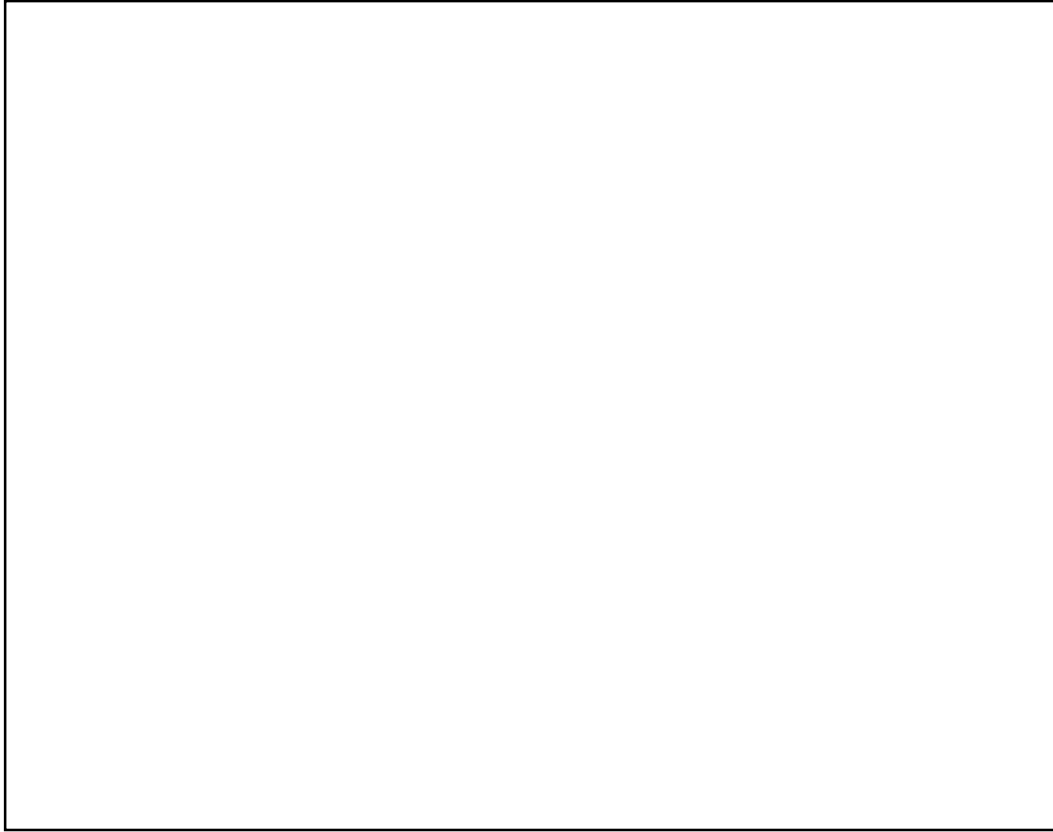
There are different types of daycare centres providing care in Manitoba. Group centres provide more than 80% of

Manitoba's licensed spaces:

1. Day care centres provide full-day centre-based services for at least five children under six years, for more than four continuous hours / day for three or more days each week. Over the decade, the regulation that a centre couldn't be larger than 70 spaces was dropped, and there is now no ceiling on maximum size.

2. Nursery schools provide part-time programs for more than three infants or five preschoolers, for up to four hours / day or for four hours or more per day for less than three days each week.

3. School-age child care centres provide services outside school hours for more than eight children aged 6-12 years, and may include children attending kindergarten. For 76 of 260 days each year, school-age children need full-day care.



4. Occasional day care centres provide care on a casual basis for more than three infants or more than five preschoolers of whom not more than three are infants, or more than eight children of whom not more than five are preschoolers and not more than three are infants.

In 2000, 528 centres are licensed for 18,352 spaces.²¹ Centre licenses specify how many children of what age can be admitted. In 2000, 441 full and part-day centres are licensed for 13,950 preschool children. Another 4,402 licensed school aged spaces exist in 87 school-age day care centres.

Family Day Care

About one-sixth of Manitoba's licensed spaces are in private homes.

1. Family day care homes provide care in a private home for a maximum of eight children under 12 years of age (including the provider's own children under 12). Not more than five children may be under six years, and not more than three may be under two years.

2. Group family day care homes provide care in a private home by two caregivers for a maximum of 12 children (including the providers' own children under 12). Not more than three of the children may be under 2 years.

In 2000, there are 554 family homes licensed for 3,760 spaces.²² Unlike group centres, spaces in family homes are not designated for particular age groups.

How much care is there for different age groups?

More than three out of every four centre spaces is for a child under the age of six, mostly for two- to five-year olds. In 1989, the Task Force on Child Care noted there was a “severe shortage” of infant care spaces in Manitoba.²³ This has been a long-standing problem: in the early 1980s, the Winnipeg Social Planning Council also observed that there was less than a quarter of the care for infants that there was for children over two.²⁴ In 1998, less than one-third of Manitoba’s centres provided care for infants, well below the national average of 41.4%.²⁵ What infant care there is has grown more expensive: the increase in fees for infants in Manitoba over 1991 - 1998 was “substantially above the national average,”²⁶ and rose again in 2000 as parent fees were increased.

Other age groups are also particularly under-served. A “severe lack of needed services” for school-age children also was noted in 1989.²⁷ A decade later, just 20% of the province’s licensed spaces are reserved for school-age children, who make up 50% of the children needing care.²⁸ This shortfall occurs despite the fact that school-age children are less expensive to care for than other age groups. Regulations require only 50% of staff in school age centres to hold Early Childhood Educator (ECE) II or III qualifications, compared to the usual 66% required in other centres, and permitted child-staff ratios are higher for older children.

Some of the shortfall of infant and school-age daycare centre spaces is likely made up by family home daycare. However, there is no way of knowing what

ages of children are served in regulated family homes.

What does childcare cost?

Childcare is a market service in Manitoba, although many other jurisdictions organize early childhood care and education otherwise. In Manitoba, parents who use regulated care must pay daily fees; low-income parents may qualify for a subsidy. All in all, childcare is “a very expensive proposition for middle and upper income parents.”²⁹ Across Canada, as in Manitoba, there is a “deep income cleavage” in regulated childcare as middle class parents have difficulty affording early childhood care and education.³⁰

Childcare services in Manitoba, however, are less expensive than in many other provinces and Manitoba is unique in how fees are set.³¹ *De facto*, the cost of care is determined by the province, not by individual centres or homes.³² This means that parent fees are very similar in every corner of Manitoba. In other provinces, parents in the same city may pay dramatically different fees for the same kind and hours of care. One positive effect of Manitoba policy is that the legal corporation which governs most daycare centres (the predominately parent-run board of directors) does not directly set fees.³³ This eliminates a source of conflict of interest between parents and childcare providers whose wages depend on revenues derived from fees and fee subsidies.

Childcare fees rose in 1988, 1989, 1990, 1991 and again in June 2000. In 1991 fee increases were particularly dramatic. (See Appendix 1). Beginning in 1991, differences also appeared in family home care and centre fees.

Costs to fee-paying parents remained constant over 1991 - 1999, although the cost to subsidized parents rose significantly in 1993. In 2000, the province increased parent fees, despite the well-known fact that the cost of childcare is a barrier to most Canadian families. According to a national study of childcare, an average-income family with two preschoolers must spend approximately \$10,000, or about 23 percent of its gross annual income, to use regulated care.³⁵ Such costs are prohibitive for the vast majority of Canadian families.

As Table 2 demonstrates, public policies promote a “preference” for home care, given the cost of family home care is significantly less than centre-based care. For example, full-day care for an infant in a family home in 1999 cost \$20 compared to \$27.45 in a centre.³⁶ A public policy preference for home-based care saves government money. Specialized infant group care is expensive to operate, since it requires renovations and material outlay and incurs high on-going staffing costs.

A curious disincentive to parents was recently built into the fee structure for family home care; as of 1999, a fee differential for trained and untrained home care providers was introduced. Now, a family home provider who is classified as an ECE II or III can charge the higher centre fee.³⁷ Fee paying families (who likely “chose” a family home in part because it is less expensive than a centre) may be unable to afford homes with trained caregivers. Affluent parents can therefore buy better family home care than lower-income parents, fracturing the egalitarianism which characterized Manitoba’s licensed childcare system up to now.

In other provinces, parent fees have

Table 1
Increases to Parent Fees
1987 - 1999 & 1987 - 2000³⁴

Increases 1987-1999		
	Group Centres	Family Homes
Infants	75%	28%
Preschool	39%	22%
School-age	21%	21%
Increases 1987 - 2000		
	Group Centres	Family Homes
Infants	79%	30%
Preschool	42%	24%
School-age	21%	21%

dropped. Quebec has developed a \$5/day (or less) childcare system, and has extended service to most age groups. British Columbia has announced a move toward universal childcare with entitlement for all children, starting with \$7/day (or less) school age care. These initiatives are in line with most European Union countries which have made early childhood care and education a part of social entitlement and public funding.

Parents in Manitoba, however, must pay fees up front for childcare service. At income-tax time, parents may receive some relief through the Child Care Expense Deduction. See the discussion in the “Federal/provincial issues” section of this report.

What about fee subsidies?

More than half of the parents currently using regulated childcare pay maximum fees; the remainder receive a fee subsidy. Of the total 21,369 spaces in Manitoba in

Table 2
Surcharge Paid by Subsidized Parents
As a Percentage of Fee (1999)³⁹

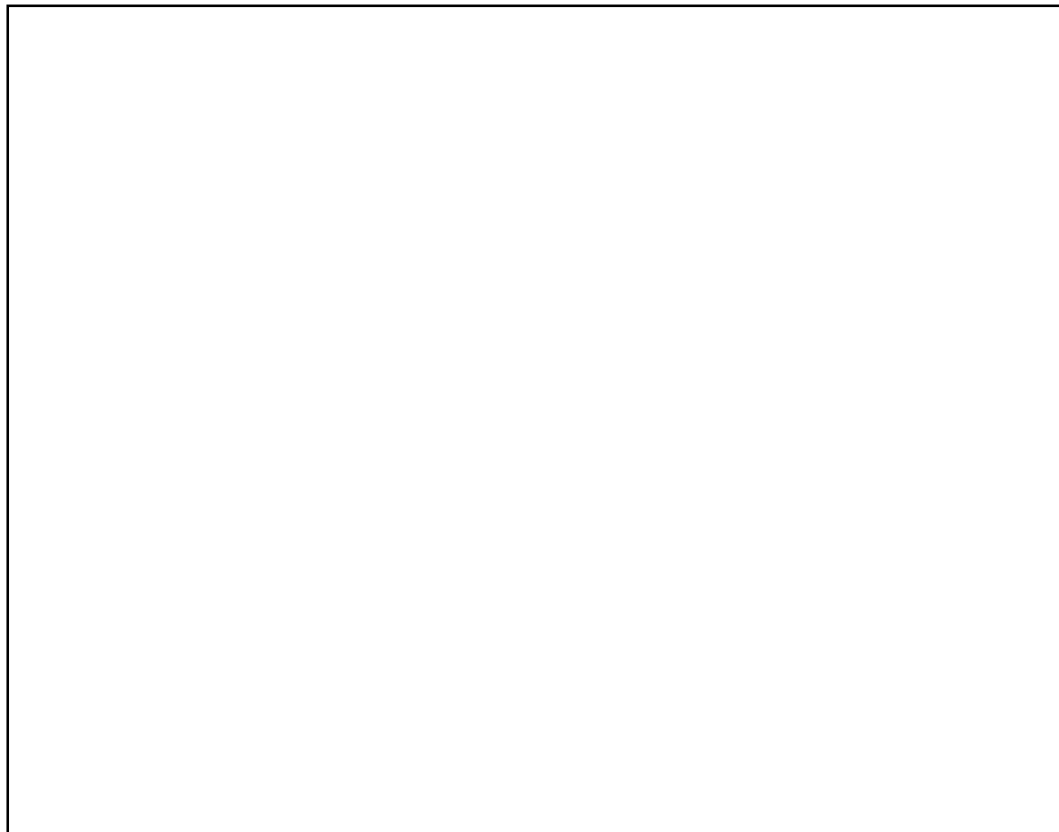
	Centre	Home
Infant	8%	12%
Preschool	13%	15%
School age40	24%	24%

1999, 9,883 (or 46%) were used by subsidized children, for either a part or full-day of care. Many group centres were predominately populated by subsidized children. In 1998 in 39% of Manitoba centres, more than three-quarters of the children were subsidized; in only 15% of centres were less than one quarter of the children subsidized.³⁸

Some parents qualify for a “full” sub-

sidy and others are eligible for a “partial” subsidy, but the subsidy does not cover the entire cost of care. There is no such thing as assured “free” childcare in Manitoba. Even parents who qualify for a “full” subsidy must pay a sizable portion. Since 1993, every facility can surcharge subsidized parents up to \$2.40 per day per child. This discretionary fee is nearly universally applied as centres and homes try to increase revenues.

As Table 2 and Appendices 1 and 3 demonstrate, the value of a fee subsidy to a low-income parent is between 76 and 92% of the cost borne by parents. Low-income families are responsible for the discretionary daily cost of up to \$2.40 per day per child. Parents on social assistance may have \$1.00 of the surcharge covered, but even families on welfare must pay the



**Table 3
Parent Eligibility for Fee Subsidy
Net Income, 1998⁴¹**

Family type	Income below which "full" subsidy is eligible	Subsidy eligibility ceases
1 parent, 1 child	\$13,787	\$24,369
2 parents, 2 children	\$18,895	\$40,059

remaining \$1.40/day per child.

Eligibility for subsidy in Manitoba is determined by an income test. Eligibility varies by family composition (number of adults and number of children).

A 1984 Winnipeg Social Planning Council study determined that subsidy levels then terminated "at just above the low-income cutoffs."⁴² Today, eligibility is equally bad: incomes below the poverty line are considered too affluent to qualify for a childcare subsidy. The National Council of Welfare notes that the only province in which a single parent could earn enough money to get above the poverty line and still qualify for a full subsidy for childcare is Saskatchewan.⁴³ In Manitoba, as in all other provinces, "parents stopped getting full subsidies long before their incomes approached the poverty lines."⁴⁴ Fee subsidies are targeted to very low-income parents, leaving hundreds of thousands of Canadian parents who "earn 'too much'" struggling to pay monthly child care bills.⁴⁵

Because subsidy eligibility has not been adjusted since 1991, there has been an erosion in parent eligibility. Manitoba is one of eight Canadian jurisdictions which failed to increase subsidy eligibility levels between 1992 and 1998.⁴⁶

Does Manitoba have quality care?

Overall, the answer is yes—although it is a less enthusiastic "yes" than would have been given in 1989.

There are many indicators of quality. Among the most important determinants are training in early childhood education at a post-secondary level, child-staff ratios and group size. These and other dimensions are addressed in Manitoba regulations which set minimum standards for licensed childcare. In comparative perspective, Manitoba standards are considered among the stronger minimums in Canada.⁴⁷ It is worth noting, however, that Aboriginal groups critique the regulations for reflecting "the values of the dominant society" and have called for regulations which better respect native community values.⁴⁸ Other minority groups share this concern.⁴⁹

Overall Manitoba's minimum standards ensure a reasonably good floor below which quality of care should not fall. However, over the 1990s, changed funding meant erosion on some important dimensions of quality. Whereas formerly centres may have exceeded minimum child/staff ratios with trained and experienced staff, today many centres barely

Table 4
Child Density in Manitoba Centres,
1989 - 1999

<u>Year</u>	<u>No. of Centres</u>	<u>Licensed Spaces</u>	<u>Children per centre</u>
1989	487	14,347	29.46
1999	522	17,723	33.95

meet — and 33% fail to meet — minimum requirements for qualified staff. In 1998, the average centre in Manitoba spent 91.3% of its budget on wages and benefits, yet the annual full-time salary averaged only \$18,703. The researchers who made this finding conclude that “[s]ince other fixed costs, such as rent, utilities and food are unlikely to have decreased in this seven-year period [1991-98], an increase in the proportion of budget spent on wages is likely to imply less money available for other things such as programming.”⁵⁰

This observation is borne out by the field, where programming has been cut and costs down-loaded onto parents. As one inner-city Winnipeg centre pointed out in its 2000 Annual Report:

We have trimmed our Food, Special Events/Outings, Equipment and Activity Supplies budget. We have also made the transition from paying for such things as diapers, handi-wipes, sun screen, etc. These costs have been put back into families’ budgets... Last year, the membership accepted a new policy of donations from parents to help offset the Summer Program outings and field trips/admissions/ bussing. We had a two-thirds participation rate from parents in 1999.⁵¹

This downloading occurs in a centre where more than nine in 10 children is subsidized, living with low-income parents.

Over the decade, standards used to classify childcare training have improved.

In order to qualify as an Early Childhood Educator II or III (formerly called Child Care Worker II or III), education and/or experience are more rigorously assessed. A worker classified as ECE II or III in 1999 therefore has more directly relevant early childhood education than her counterpart did in 1989. Given the links between training and quality of care, we can assume this is a change with positive outcomes.

Another positive change in regulations over the decade is the requirement for a higher proportion of trained staff in centres. Since 1991, two-thirds of staff in pre-school programs are required to hold ECE II or ECE III qualifications, and all directors must qualify as ECE III with at least one year’s experience.⁵² In exclusively school-age centres or nursery schools, one-half the staff require similar training. Interestingly, this regulation may have lagged behind actual practice at the time it was implemented. Reports from the field indicate that prior to 1991, many centres operated at close to 100% trained staff, something that funding cuts made difficult after 1991.⁵³ After 1991, centres were technically able to keep their complement of trained staff at the previous 100% level. But as salary enhancement grants were eliminated, many centres reduced their complement of trained staff to the minimum.

This erosion was noticed across the

country, with one national Canadian comparison observing that in Manitoba, "There has been some laying off of trained staff and replacement with untrained staff to improve viability of a number of centres."⁵⁴

The proportion of trained staff fell further over the decade. During the late 1990s, many centres failed to have adequate number of trained staff, and ratios fell below the statutory minimums with the full knowledge of licensing officials. In March 2000, 33% of Manitoba centres have licensing exemptions. This means they hold official permission for their exemption to the required proportion of trained staff.⁵⁵ The Child Day Care office considers such cases "exemptions" to licenses rather than provisional licenses. Thus the 33% of centres which fail to meet the important quality criteria of staffing do not appear as licensing violators in Appendix 5 on breaches of quality care. It is possible that declining quality due to proportion of trained staff is partially offset by increasing expertise due to increased training requirements.

Concurrently, over the late 1990s, provincial regulations have been relaxed to permit greater flexibility and discretion at the centre level. There are serious doubts that should be raised about "flexibility" being interpreted on the floor by untrained staff. These raise further troubling questions about quality of care at the end of the decade.

In addition to staff training and ratios, another important dimension of quality is size. Most Manitoba childcare centres have considerably fewer children than the formerly permitted maximum of 70. Over the ten-year period 1989 - 1999, the norm was less than half this figure. But density

did rise over the decade, as the average childcare centre grew 15% larger. Growth came from in-fill rather than new facility expansion, and most in-fill increase was unfunded.

In Manitoba, unlike some other jurisdictions in Canada, family childcare homes are individually licensed. In Ontario and other provinces, family home care is licensed through agencies, which through collective efforts can offer equipment lending, professional development and training, supervision and other forms of support.

Like other Canadian provinces, Manitoba does not currently require any child development or early childhood education training for family day care providers. The absence of training requirements for family home care providers can be linked to the traditional (and erroneous) assumption that women are "naturally" skilled at caring for children, so no formal education is required in home settings, even though early childhood care and education is strongly correlated with quality of care offered to children. The absence of ECE training requirements among home care providers is therefore troubling, although it is no worse in 1999 than it was in 1989.⁵⁶

Between 1989 and 1999, the density of family homes also grew. On average, a current Manitoba family home daycare provider cares for 25% more paying children than her 1989 counterpart (see Table 5).⁵⁷ It is extremely difficult to consistently provide high quality care and education to 6.7 children without formal training. Moreover, with an average size of 6.7 children, the assumption that a paid care provider is replicating a "home-like" atmosphere, for which her "natural" aptitude

**Table 5
Child Density in Manitoba Family Homes,
1989-99⁵⁸**

Year	Total Homes	Licensed Spaces	Children per home
1989	428	2,292	5.35
1993	622	3,552	5.70
1999	544	3,646	6.70

will suffice, is untenable.

On the positive front, Manitoba does fund many facilities in the family home sector, which is not typical in Canada. Manitoba is one of only three provinces which report some form of grant funding to family day care programs.⁵⁹ This funding likely helps to improve the physical characteristics of home childcare environments and stabilize provider incomes.

What is the quality of commercial childcare?

Commercial centres in Manitoba have been disproportionately represented in serious violations of quality care over the past decade (see Appendix 5). The provincial Child Day Care Office has both the power and the obligation to enforce minimum regulations. When breaches occur, licensing orders or suspensions may be laid (although the latter is relatively rare, averaging less than one per year.) The evidence shows that while commercial centres represent just 10% of the total number of centres, they account for 64% of orders and 100% of centre licensing suspensions or refusals (the most serious breach) over the past thirteen years. Over

1987-99, commercial facilities were at least six times more likely than non-profit centres to have serious quality concerns.

The findings about quality breaches in commercial centres support the research literature which shows that commercial care consistently fares poorly on quality measures.⁶⁰ One of these measures is staffing and turn-over. Commercial centres spend a smaller percentage of their budget on wages than non-profits; in Manitoba, the gap is 20%.⁶¹ In 1991 average wages in Manitoba's commercial centres were \$2.00/hour lower than in the non-profit sector; in 1998 they were \$1.62 less per hour.⁶²

Despite these concerns about quality and staffing, the average Manitoba commercial centre receives 80% of its revenue from government sources, mainly in the form of fee subsidies.⁶³ Manitoba has the very dubious distinction of leading the nation with the highest degree of public funding to commercial centres. Our spending considerably outstrips other Canadian provinces: British Columbia is next highest, with commercial centres receiving an average of only 44.6% of their revenues from government sources. Significant public funds are thus directed to

a poor-quality sector.

A further problem with Manitoba's commercial sector is that while relatively small, it has enjoyed disproportionate political influence. For example, the lobby group of commercial operators, "Manitobans for Quality Child Care," (formerly the Manitoba Association of Independent Child Care Operators) participated alongside the much-larger Manitoba Child Care and Family Day Care Associations, which together represented more than 90% of the licensed spaces in the province during the 1990 Working Group on Day Care that led to the 1991 restructuring.⁶⁴ Reasoned concern can be raised about the political influence the commercial lobby has enjoyed over the past decade. In light of the experience of other jurisdictions, Manitobans should remain concerned about our province's commercial sector.⁶⁵

What role do parents play?

In Manitoba, neither the provincial nor municipal government directly operates childcare. Instead, commercial and non-profit organizations own and run centres, and independent business people operate family care homes. Childcare is therefore officially part of the voluntary or private sector, not the public sector.

In Manitoba, non-profit centres are governed by boards of directors. These boards must be composed of a minimum 20% parents and are limited to a maximum 20% staff. Commercial centres are required to have parent advisory committees; no regulated role exists for parent involvement in family home care. Manitoba's public regulations proscribe a high degree of parent involvement in the gov-

ernance of privately-delivered childcare services.

Parent control has mixed results in practice. An obvious benefit is that parents have input into the care and operation of their centre, permitting flexible and responsive service. An associated benefit is that jurisdictions with high requirements of parent involvement tend to have low levels of commercial service, to the overall benefit of quality.⁶⁶ An unintended negative outcome of consumer control, however, is that inexperienced parent boards (with high turnover and short term mandates) are often forced to deal with complex issues beyond their skills.

Moreover, voluntary sector service is not a direct government responsibility. Because "the community" starts up and operates child care, the province can accurately claim that it has no direct responsibility to operate service, nor any formal role in setting wage rates for childcare providers.⁶⁷ The current fiscal crisis of wages and revenues thus can be construed as a private matter for individual facilities to solve, not as a logical outcome of public policy which government must redress.

Other jurisdictions do a better job of ensuring an appropriate parent role. In Quebec, for example, community boards coordinate service in neighbourhoods (overseeing several centres and/or family day care homes). At the same time, the province of Quebec has obligations to ensure services are available, affordable and accessible; parent volunteers are not required to start up and operate all aspects of service, as they are in Manitoba.

Under-Served Communities

There is not enough regulated childcare for most Manitobans; certain populations are particularly under-served.

Aboriginal

Childcare for Status Indians in Canada is a federal responsibility, introducing complicated federal/provincial jurisdictional issues. Provinces/territories have jurisdiction for non-status families. For status First Nation people, childcare is the responsibility of Indian and Northern Affairs, but it has no childcare program or policy.⁶⁸ In Manitoba, as in the rest of Canada, most First Nations families have no access to childcare.

Currently, Manitoba First Nation communities, under the Inuit/First Nations Initiative, are planning childcare services, undertaking needs assessments and beginning early childhood educator training courses. By the end of the Initiative, it is expected that 1,042 reserve-based child day care spaces will be established in Manitoba, governed by First Nations' established policy, framework, and regulations.⁶⁹ By 1998, about 60 new on-reserve centres (unlicensed) had been started in Manitoba.⁷⁰ In urban areas, Aboriginal families (like other Manitobans) may use the regulated childcare system, if they can find and afford care.

Manitoba does not license or fund child care programs on-reserve, although the Child Day Care Branch will assist on-reserve facilities to meet licensing requirements. Approximately 60 new child care centres have been established since 1995 under the federal government's First Nations/Inuit Child Care Initiative.

Manitobans of Aboriginal descent told the Task Force on Child Care in 1989 that the evolution of forms of child care that reflect Aboriginal culture and aspirations can be a "powerful tool in their efforts to strengthen the culture, dignity and ability to prosper of Aboriginal Manitobans."⁷¹ In all, the Task Force produced thirteen detailed recommendations to strengthen and improve all facets of childcare for the Aboriginal community.⁷² So far, two specifically Aboriginal training programs help prepare early childhood educators to work sensitively and respectfully with Aboriginal communities: the certificate program in Aboriginal child care at Red River Community College and the First Nations ECE training program at Opaskawayak-Keewatin Community College.⁷³

Like Aboriginals, other minority groups have identified lack of diversity in programming, training and regulations as a barrier.⁷⁴ In 1987, the Manitoba Intercultural Council described the lack of culturally sensitive and relevant materials and resources in child day care centres, and recommended changes in the training and employment of child care workers to redress these deficiencies.⁷⁵ The Task Force on Day Care also recommended increased support for cross-cultural child care training curriculum to prepare the workforce for increased diversity, a recommendation yet to be fully implemented.⁷⁶

Francophone

In 1990, childcare services to Franco-Manitobans were assessed by the Working Group on Francophone Day Care, which concluded that there was a lack of

child care specific to the French culture and language. As of 1992, there was “no infant, school age or occasional daycare program available where the sole language of instruction and admission is French.”

A decade ago, there was overwhelming evidence that Franco-manitobans were seriously under-served. In 1986, the French population was 5.4% of those living in Manitoba, but only 0.3% of all full-time preschool spaces, 2.8% of all nursery school spaces, and 0.9% of all home care spaces where the sole language of instruction and admission was French. No “Français” school-age or infant care existed.⁷⁷ As in the English-speaking population, the best-served age group is preschoolers and even there service is inadequate. According to the Working Group’s 1990 calculations, “[a]ssuming that Francophones require day care services in similar proportions to the general Manitoba public, the Franco-manitoban community would require, for example, 417 full-time preschool spaces in Français centres. Presently only 25 spaces exist in this category.”⁷⁸ Overall, the Working Group claimed at least 1,021 new spaces in full-time centre-based preschool, school age, infant care, nursery school, and home care were needed.⁷⁹ Over the decade, there is no reason to believe access has improved.

The lack of access was compounded by lack of trained staff, at all levels of training, and especially at senior / administrative levels. The Task Force noted a “crucial need for trained bilingual staff.” They also noted a “lack of child care specific to the French culture and language, as well as a lack of resources and training in support of this system.”⁸⁰ The Task Force was

further concerned that very few specialists offer services in French for children with special needs.

Rural and Northern

Across the country, it is widely recognized that extensive use of regulated care is primarily a metropolitan phenomenon.⁸¹ The under-servicing of rural and northern Manitoba families is therefore congruent with the national problem. In Manitoba, the lack of non-urban childcare compounds accessibility problems for Aboriginal families, given the large native population living in the north.⁸²

Ten years ago, serious problems and “special difficulties” with rural and northern childcare were noted by the Task Force on Child Care.⁸³ Farming, for example, is one of the few occupations where children are cared for in the workplace by their parents, and so child safety is a major issue for farming families. The National Rural Child Care Survey, to which 500 Manitoba families responded, indicated a pressing need for rural childcare.⁸⁴

The national rural childcare study conducted by the Women’s Federated Institutes in 1991 found that 40% of rural children were sometimes left alone to care for themselves. This finding makes sense in light of another finding, namely that “less than 20% of those surveyed had access to drop-in centres or before and after-school care.”⁸⁵ At the time, Family Services Minister Harold Gilleshammer was quoted as saying that “I don’t see us [the government] being able to fund or have people create daycare centres in rural areas,” proposing that rural families rely instead on self-help and neighbour-care.⁸⁶

A 1994 survey of the childcare needs

of Manitoba farming families conducted by University of Manitoba researcher Dr. Lois Brockman concluded that farm families are “in great need of flexible and accessible childcare.”⁸⁷ The study pointed out that “the traditional urban day care model, which is designed primarily for parents who work regular job hours, cannot meet the unique needs of farm families.”⁸⁸ Given population density, seasonal needs, and the distribution of children, rural parents need alternative care models.

Early childhood educators in rural areas earn less than their urban counterparts, and have worse benefits. Training is less available in rural areas. It is likely that this combination explains the higher turn-over rates in rural and northern areas, with the corollary negative effects on continuity of care and diminished quality of care for non-urban children.

Special Needs

In 1998, 600 children participated in licensed childcare under the Children With Disabilities Program, which provides some additional funding for integration.⁸⁹ Yet Manitoba “has no written policy on children with special needs.”⁹⁰ Eleven years ago, the Task Force on Child Care noted with concerns that child care for children with special needs was developing especially slowly in rural and remote areas, where there is often a general shortage of licensed child care.⁹¹

Unlike some other jurisdictions, Manitoba has no special training requirements for staff working with children with disabilities, although children with special needs are often integrated into mainstream childcare.

Nationally, Manitoba leads the country in providing integrated care for children with special needs. More than four in five Manitoba centres enrol at least one child with special needs, a national high.⁹² This is a legacy of Manitoba’s pioneering work which began in the early 1980s under the NDP, to assist with the integration of children with disabilities into childcare centres and family homes. Staffing grants introduced in 1982 enabled centres to hire additional caregivers to work with special needs children. In 1988, the program was expanded to include greater numbers of children with developmental delays.⁹³ Today, regulated childcare facilities are often unable to afford the additional costs of aides and regularly cannot admit children with special needs. Between 1995 and 1998, more than half of all Manitoba childcare centres turned away a child with a special need.⁹⁴ The 2000-01 provincial budget provides \$2.8 million of additional funds to assist facilities to integrate more children with special needs, and this may improve access.

Children in licensed childcare often are referred to specialists after early identification of various learning or developmental needs. Thus, speech pathologists, behaviour specialists and other children’s experts are an important complement to the regulated childcare system. Over the 1989 - 99 period, access to such supportive services has worsened, although need has increased. Another facet of unmet need is care for otherwise able but temporarily sick children.

Extended Hours

Last year, only ten centres and 102 family day care homes provided non-tradi-

tional hours of care — namely, service outside of Monday to Friday’s regular workday schedule.⁹⁵ Extended hours care represents only 4% of the system’s total regulated spaces. Yet a significant number of parents are employed for “non-standard” or irregular hours — including 40% of all women in the Canadian work force.⁹⁶

Less than one in 20 licensed spaces in Manitoba provides extended care, meaning the vast majority of parents who require evening or weekend care, or other extended hours, are forced to go outside the licensed, regulated system to find services for their children. Such services are often very expensive, yet as unlicensed service are not eligible for fee subsidy.

The province has recognized this problem. Additional funding was recently made available to centres which offer extended hours care. Facilities that operate evenings, overnight, weekend and seasonally may receive 1.5 times the regular funding. Over 1998/99, start-up and operating grant funding was provided to twenty-three child care facilities to expand their hours, but this will not be enough to satisfy the need for extended hours care.⁹⁷ One unsolved obstacle is adequate compensation for staff who work extended hours.

Funding and Policy

Childcare is a user-fee service to which the provincial government provides funds. In Manitoba, childcare funding fluctuates dramatically depending on who governs, and what is happening in Ottawa. This section considers some selected aspects of provincial funding and policy.

History

Former Manitoba Child Care Association (MCCA) Executive Director Dorothy Dudek identifies 1983 - 87 as the “growing years” for licensed childcare in Manitoba.⁹⁸ Others concur. Frances Russell of the Winnipeg *Free Press* reports that during the years of NDP government, childcare was consistently a government priority. Over 1981-82, childcare spending rose 22%, in 1982-93, it rose 25.6%, in 1984-85 28.8%, in 1985-86 10.8%, in 1986-87 13.7% and in 1987-88 childcare spending rose by 20.3%.⁹⁹ The growth of childcare in Manitoba was called “phenomenal” by social policy experts at the University of Manitoba, who claimed that with adjustment to constant dollars, the 1979 -1986 increase in provincial spending was 635%.¹⁰⁰

By contrast, funding from 1990 onward under the Filmon government declined in real dollars. The 1989 Manitoba Task Force on Day Care called for childcare funding to rise by \$20 million, but the 1989-90 Conservative budget increased funds by only \$2.5 million. This pattern continued. Over the period 1989 to 1999, funding actually dropped by 14% in adjusted dollars. The recently-announced 2000-01 budget increase, at \$9.1 million for child care, will likely move per space funding at or beyond the 1990 levels.

For the better part of a decade, beginning in 1991, Manitoba had a two-tiered childcare system. Some facilities were fully funded; others received no funding. Full funding included once-only start-up grants, annual maintenance grants, audit grants, grants for children with disabilities, and (while they existed), salary en-



hancement grants.¹⁰¹ Over the decade, an average of one in five centres and two out of five homes was not fully funded (see Appendix 7). Disparity between funded and unfunded centres began to shrink in 1998-99. Although the funding gap is narrowing, there remains inequity in school-age care, as there are fully-funded, partially-funded and unfunded services for children aged six - 12 years.

In 1991, Manitoba restructured childcare. All former grants were consolidated into one operating grant, and the new operating grant was set at two different amounts: one for fully-funded and another for partially-funded facilities. The overall share of government funds as a percentage of centre revenue dropped from 30% to 20%. Parent fees increased between 18 - 49%.¹⁰² The restructuring

resulted in skyrocketing vacancies, centres forced to operate with deficits, staff layoffs and wage cuts, and quality erosion.¹⁰³

In 1991 when parents were hit with very large fee hikes, they withdrew from licensed childcare centres in significant numbers.¹⁰⁴ The province's own figures show a dramatic drop in use after 1991. Utilization rates reveal that the Manitoba system was running at only 63.1% — less than two-thirds capacity — by 1994 (see Appendix 2). Other evidence points in the same direction. For example, Winnipeg Harvest's Executive Director David Northcott reported that the city's central food bank supported as many as seventeen day care centres at a time between 1988 and 1992.¹⁰⁵

Throughout the early 1990s, the province was unwilling to support expansion

in childcare. The clearest evidence is that in 1993, a temporary freeze was placed on licensing of all new facilities (whether centres or homes.) The freeze was later lifted, and licenses were permitted provided new facilities signed an acknowledgment confirming that no provincial grants or subsidies would be provided. That acknowledgment was a condition of licensing until 1995-96.¹⁰⁶ In 1991, the GST was implemented, adding extra costs to many childcare expenditures but no additional provincial compensation. In 1993-94, operating grants for non-profit centres and family day care homes were reduced by 4%, and operating grants to nursery schools were reduced by 50%.¹⁰⁷ The province's finances were in poor shape in this period: over the 1992-93 fiscal year, Premier Filmon ran Manitoba's largest-ever real deficit.¹⁰⁸

When fees went up and government grants went down in 1991 and again in 1993, centres were forced to cut wages, layoff staff, and reduce services as well as make "invisible" cuts, such as eliminating hot lunch programs, curtailing field trips, and cutting back crafts and other programs.¹⁰⁹ After the 1991 fee increase, the proportion of subsidized to full-fee paying parents altered (see Appendix 3), as the system became less income-mixed.

In the mid-1990s, the government established a "fact finding" mission, led by Marcel Laurendeau. The one-man fact finding mission did no formal research, but produced a report in 1996.¹¹⁰ One of the outcomes of this process was a Child Day Care Regulatory Review Committee which has met regularly since 1996. The Regulatory Review committee is made up of 20-plus government-appointed members, and has been successful in initiating

some important administrative changes to improve administration and operations. Their funding proposal was adopted in the provincial 2000 budget.

Growth

From 1989 to 1999, growth in the licensed sector was very modest. In 1989, there were 14,623 centre spaces; in March 2000 there were 18,352, an increase of 26%. In 1989, these spaces were provided by 487 centres; in 1999, by 522 centres. This represents new facility increase of less than 1% annually. Very slow growth means little change over the decade in the distribution of group care. Communities that were under-served a decade ago are still unlikely to have access to licensed group care.

Growth in the licensed family home sector has followed a similar pattern, with an important distinction. Over 1989 - 99, the average number of children per family day home grew by 25%. Like the centre sector, family homes grew more "dense" over the decade, and so provided expansion with minimal or no cost. Unlike childcare centres, however, the number of family daycare homes peaked in 1992 -93. Today there are 78 fewer family homes than at the 1993 high. In 2000, we have yet to restore service to earlier levels.

Subsidies

The proportion of subsidized spaces in Manitoba has ranged from 39% to 53% of the total number of licensed spaces over the past decade (see Appendix 3).

Prior to 1992, a licensed non-profit facility was guaranteed the ability to enrol



subsidized children, an important financial assist for centres. After 1992, licensing was no longer carried this assurance.¹¹¹ At the same time, the longstanding policy of restricting fee subsidies to non-profit centres was overturned. In 1991 the province permitted commercial centres to be eligible for guaranteed fee payment for up to 25% of their licensed spaces if they were occupied by subsidized children.¹¹² The provincial subsidy budget was thus spread over more facilities beginning in 1991.

Before 1993, a parent who qualified for a “full” subsidy could be surcharged a maximum of \$1 per day per child, and many facilities chose not to collect it.¹¹³ After 1993, the maximum unsubsidized surcharge rose to \$2.40 per day per child. As discussed earlier, this meant that even

very low-income parents had to pay increases of 140% or more. The \$2.40 per day per child surcharge had an identifiable effect on very low-income parents. In a November 1995 government document written by a senior bureaucrat, the province acknowledged that the larger surcharge “may have had the effect of subsidy users seeking lower cost care alternatives” as they pulled their children from licensed care.¹¹⁴

In 1993, subsidies were further restricted by a reduction from eight weeks to two weeks for unemployed subsidized parents looking for work. The lost six weeks of eligibility were only restored in 2000 by NDP Family Services and Housing Minister Tim Sale.¹¹⁵ In 1996-97, 400 of the 8,600 subsidized “cases” were reserved for employment or training for

employment and income assistance clients. They appear in provincial figures, but represent a loss to the general parent pool. Over the late 1990s, a series of other targeted programs for welfare-to-work transitions were designed, and several included regulated childcare in some form.¹¹⁶

Early Childhood Educator Workforce

One 1980s government initiative to support the ECE workforce was training. Over 1984-88, the NDP government launched training programs, that allowed employed childcare workers to upgrade their qualifications. In announcing one new program with 500 spaces, Community Services Minister Muriel Smith reported that “during their training, they [workers] maintain their positions at full salary and benefits.” Instead of firing all untrained workers, “the government thought it better to train them at public expense” explained one government press release.¹¹⁷ Over a four-year period, the number of child care workers in full-time centres who met the minimal training requirements increased from 17% to 62%.¹¹⁸ This model of in-service training was not continued by the Filmon government.

Another very popular initiative was a direct grant for wages. Manitoba was one of the first jurisdictions in Canada to provide direct support to the childcare workforce. Begun in 1984 by the NDP and originally designed for trained staff in centres, it excluded family home care providers until 1990-91.¹¹⁹ The maximum per person grant grew from an initial \$2,300 to \$4,350 before being cut in 1991. The Salary Enhancement Grant was an NDP initiative, which contrasts sharply with Progressive Conservative approaches to

the long-standing wage issue. In 1991, Minister Gilleshammer proposed that the long-term solution to increasing salaries could be “a change in child-staff ratios.”¹²⁰

One strength of the salary grant was that it was restricted to staff in non-profit centres, a provision the commercial sector vigorously protested.¹²¹ Overall, the direct grant for wages was a material recognition that parent fees alone could not adequately remunerate childcare providers. As the province explained, direct action and direct public funding were necessary to improve wages.¹²² The current government has not re-implemented a wage enhancement grant, preferring instead to provide block funding to individual facilities, a financing model the NDP has elsewhere rejected.

Since 1991, when the Salary Enhancement Grant was eliminated, Manitoba wages have plummeted in real terms.¹²³ “In Manitoba there was a greater decrease in wage enhancement grants as a proportion of revenue than the increase in operating/equipment grants,” conclude the authors of a recent national study of wages. They calculate the wages grant was 9.6% of average centre revenue in 1991 but dropped to just 0.1% in 1998.¹²⁴

As a consequence of the 1991 overhaul, with its simultaneous elimination of the wage grant and massive increases to parent fees, childcare providers in centres “experienced layoffs, job sharing, decreased benefits, wage and benefit rollbacks.”¹²⁵ By 1993-94, The Manitoba Child Care Association (MCCA) estimated that Manitoba’s child care employees subsidized the system in excess of \$13,000,000 and they presented a bill for that amount to the Legislature.¹²⁶ The bill would be much larger if figured today, while the fundamental problem of wages



in a fee-for-service system persists.

Funding

In real dollars, childcare funding was cut considerably over the 1990s.¹²⁷ When adjusted to real dollars, Manitoba's per-space funding dropped 14% over the decade — a massive loss to an already cash-starved system. In the 1999-2000 fiscal year, per space funding was \$2,307 — still 10% below 1990 spending levels (see Appendices 6A and 6B). The province would have to spend \$2,562 per space in 2000 to be level with spending ten years earlier. New spending in 2000-01 may improve 1990 spending levels — perhaps by up to 10%. (This calculation is very approximate, but here are some reasonable estimates: if 2000-01 spending is the projected

\$60.2 million on the current 22,112 spaces, then per space spending would be \$2,720. In 1999, \$2,270 is the equivalent of \$2,280 1990 dollars, or about an 8.6% increase above the \$2,100 spent in 1990.)

Childcare is one of many Manitoba services which lost ground over the 1990s; other social services experienced cuts as well. According to the current Minister of Family Services and Housing, welfare spending was reduced about 17% and healthcare lost 9 -10% over the same period.

Notwithstanding the 14% drop between 1989 to 1999, Manitoba still fares surprisingly well in national comparison. In 1998, Manitoba's recurring government operating/ equipment grants provided 19.9% of average centre budgets, more than the national average of about 10%.¹²⁸ It is a testament to the degree of public

support and funding established in the 1980s that our provincial standing is above the national average despite a decade of cuts.

Future Policy Changes

In 1988, the Winnipeg Social Planning Council recommended that the priority for improving childcare in Manitoba should be first, to expand the supply of licensed spaces; second, to augment the wages of child care workers; and third to increase fee subsidies.¹²⁹ The 1989 Task Force on Day Care made a different recommendation. In their view, the “future strategy for the child care system must be a combination of expansion of spaces and support to ensure quality care in both existing and new spaces.”¹³⁰ A decade later, the Manitoba Child Care Association (MCCA) proposed a third solution: that the “first priority needs to be a change in funding to permit a higher wage and improved benefits for all caregivers” with any enhanced money going to the existing system.¹³¹ In January 2000, over fifty-five organizations requested a fourth and more far-reaching alternative: that Manitoba commit to a Quebec-style publicly-funded childcare system, and lobby federally for a national childcare program to cost-share the new system. Based on the recent budget, it appears that proposals focussed on wages hold political favour with the new Minister of Family Services.¹³²

In 2000, policy advice is provided to the Minister of Family Services and Housing by the Child Day Care Regulatory Review Committee. A number of the Committee’s earlier recommendations have been implemented, to the general approval of the

early childhood educator field. Some of the positive outcomes have included providing for subsidy to follow each child (rather than be directed to the facility), the development of extended hours services, and over one hundred regulatory amendments “to ensure safe environments for children and increased flexibility for facilities.”¹³³ However, the “Reg Review” committee provides privileged information to the Minister. As such, their work cannot be reported, any background material which informs their deliberations is confidential, and even Freedom of Information inquiries cannot make their research and recommendations public information.¹³⁴

One of the recommendations made by the Regulatory Review Committee and adopted by the 2000-01 budget was an increase in parent fees as well as an increase in provincial operating grants. The recommendations are designed to “stabilize the current system,” which the MCCA, the Regulation Review Committee and the Minister consider the top priority. The exact effects of the recent changes are still being worked out in the field. What is certain is that although infant and preschool facilities will receive much-needed additional revenue, school-age programs will actually lose dollars. The new budget also increases parent fees, fails to expand eligibility for subsidy, and does not lift the punitive \$2.40/day per child fee. Perhaps more disturbingly, the province has not announced any long-term strategy for policy redesign; meaning that the recent additional funds signal a continuation of the Conservative approach to childcare service.

Table 6
Hourly Wage Rates in Manitoba, 1991 and 1998 (mean gross hourly wage)¹³⁸

	1991	1998	<u>Real loss</u>
<u>"Untrained Staff"</u>	\$8.60	\$8.37	12.6%
<u>"Trained Staff"</u>	\$9.29	\$9.49	9.3%

Workforce Issues

The Manitoba childcare workforce is in crisis and the main reason is financial. Childcare work is very badly remunerated. Most childcare workers earn below the poverty line, and almost none can afford to use the care they provide to other people's children.¹³⁵

Policy-makers and decision-makers have known for well over a decade that childcare providers are exploited. In 1988, the Mansis report on comparative worth determined that early childhood educators deserved the same remuneration as a Winnipeg School Division No. 1 Nursery Teacher, Class III. As a result, the report recommended salaries be increased about 37%. The 1989 Report of the Task Force on Child Care also observed that "salary levels are inadequate."¹³⁶ This bad situation worsened over the mid-1990s, as the purchasing power of childcare workers in Manitoba fell. A large national study has recently concluded that childcare wages dropped significantly in real dollars in Manitoba between 1991 and 1998.¹³⁷

Further wage differentials emerge when the province of Manitoba is examined more closely.¹³⁹ According to an MCCA survey, the average centre director in Winnipeg earned \$17.41/hour in 1997 compared to \$14.70/hour in rural

centres. Regional variation was also found in wages for other early childhood educator classifications. There are other significant disparities in benefits, including pensions. When combined, these disparities make it less viable for a rural ECE II or III to undertake a life-time career commitment to childcare. These inequities provide objective workforce disincentives to staff in northern and rural centres. Moreover, they result in diminished quality of care to children in rural and northern centres.¹⁴⁰

Low wages are associated with high turn-over rates, and in Manitoba providers have a turn-over rate of just under 20% annually.¹⁴¹ This means that more than one in five children using childcare can expect their provider to change each year. High turn-over rates are linked to reduced quality.¹⁴²

Suffering from real wage cuts, the Manitoba Child Care Association (MCCA) is playing a changed political role as it narrows its representations to remuneration issues, to the exclusion of other concerns. In a disturbing passage, they recently criticized 1998-99 provincial funding improvements, decrying that: "dollars that should have gone toward your wage increase went into funding for new spaces in rural Manitoba, increased dollars for the integration of children with special needs, and money for flexible

childcare.”¹⁴³ The MCCA also publicly supports the parent fee increase recommended by the Reg Review committee, on which they hold three seats.¹⁴⁴ The crisis in worker wages thus not only diminishes the quality of care for children, it also has political ramifications and negative effects on social solidarity within the childcare community as well.

Unionized childcare centres demonstrate a different pattern. Across Canada, the best wages and working conditions for ECE staff are in unionized centres.¹⁴⁵ Currently, about a dozen Manitoba centres are organized by the Canadian Union of Public Employees (CUPE), the Steelworkers (USWA) and the United Food and Commercial Workers (UFCW). CUPE has begun a drive to increase the number of its organized centres. Since January 2000, the Manitoba Government Employees Union (MGEU) has also undertaken a concerted organizing drive. To date, fifteen centres have certified with MGEU, and discussions are underway with many more.¹⁴⁶ Support from large progressive unions bodes very well for the field, which may soon be able to negotiate sector-wide agreements rather than on a centre-by-centre basis with individual boards.

If the organizing is sustained, adequately-resourced and successful, childcare will be represented by a union or unions which can negotiate directly with the province on behalf of staff. This will effectively challenge the formal position that childcare is not part of the broader public sector. Early childhood educators would then be well-positioned to make pay equity claims with other social service public sector workers. The wages strategy pursued to date, which has

relied on professionalization and cooperative relations with government, has thus far been unable to staunch losses across the decade, let alone generate improvements. A trade-union alternative therefore will likely be received positively by the field, and will add important leverage to policy proposals for new approaches to childcare funding.

Federal / Provincial Issues

“Families in which both parents of young children work would find more support in balancing their work and family responsibilities if they lived in some European countries rather than Canada.”¹⁴⁷

Overall, Canada does a poor job of supporting parents, and our relatively weak national policy has consequences in Manitoba. This section considers some selected federal/ provincial issues as they impact on this province’s ability to support parents in childrearing.

Maternity/Parental leave

Federal policies govern the payment of benefits through (Un)Employment Insurance for maternity and parental leave, although each province has discretion to set the terms of leave under its employment standards legislation. Right now in Manitoba, 17 weeks of leave are available to the natural mother and federal (Un)Employment Insurance will pay 55% of the salary of eligible mothers (to a maximum cap of \$413) for 15 weeks, with a 2 week unpaid waiting period.¹⁴⁸ Whether adopting or biological parents, mothers and fathers are each entitled to an additional seventeen weeks of parental leave, for which federal (Un)Employment Insur-

ance payments will be available for 10 weeks, with the possibility of a second two-week waiting period with no benefits.

Recent figures show that many new parents are ineligible for paid maternity or parental leaves. Nationally, only about 36% of men and 30% of women are covered by EI.¹⁴⁹ In 1997, 5,180 initial maternity claims were allowed of the 14,655 births in Manitoba.¹⁵⁰ Jane Jenson observes that restrictive federal policy means that many mothers are forced back into employment because they cannot sustain the income loss associated with taking unpaid leaves.¹⁵¹ Some employers may provide supplementary benefits to “top-up” the EI payments of parents. Workers with supplementary benefit plans tend to be long-term employees of large, generally unionized workplaces. Few part-time, casual or self-employed parents have access to additional maternity/parental benefits.

Overall, this means that new parents with labour force attachment are likely to return to paid work very rapidly. From these figures, we can extrapolate that a significant demand for infant care exists. In the 2000 Budget, the federal government announced it was changing EI to permit up to a full year of funded family leave for new or adopting parents. Right now there are no announced plans to amend Manitoba’s employment standards to permit parents to take advantage of the newly extended leave provisions.

Federal Cost-sharing

The federal government used to cost-share child care services through the Canada Assistance Plan’s childcare pro-

visions.¹⁵² Federal cost-sharing helped Manitoba pay for childcare costs between 1974-1996. Manitoba was the first Canadian province to take advantage of the Canada Assistance Plan’s provisions for childcare for children “in need.”¹⁵³

In April 1996, the Canada Health and Social Transfer (CHST) took effect, replacing the earlier Canada Assistance Plan (CAP). This new arrangement included a significant cut in federal support for funds for childcare and other health and social spending. “In effect, the federal government with[drew] from financing the child care field, leaving it to the provinces. Thereafter divergence in childcare increased among the provinces.”¹⁵⁴ The loss of federal money was especially troubling for the historically “have not” provinces, including Manitoba. Manitoba received \$236 million less federal money in 1998 than in 1996. The 1999 federal budget provided a one-time infusion of funds (mainly in response to the health lobby) but has yet to restore base funding to pre-1996 levels.

The major way federal funds transfer to the province for childcare is now through the tax system. This approach privatizes public spending, and is roundly criticized for being inefficient and ineffective in redressing problems of access.

Taxation

A parent who pays childcare fees in Manitoba may get some relief from Ottawa through the tax system. The Child Care Expense Deduction (CCED) is the only universal program available to parents to help defray the cost of childcare. The maximum amount parents can deduct, provided they have receipts, is

\$7,000 for a child under seven and \$4,000 for a child aged seven to 16 years. The lower income parent (in a two-parent family, generally the mother) must claim the deduction. As the Canadian Research Policy Network points out, the CCED's value to parents varies by tax bracket, providing more benefit to higher income families than it does to low-income families.¹⁵⁵ They conclude that despite tax deductions or credits, paying for childcare "remains a very expensive proposition for middle and upper income parents."¹⁵⁶

In 1997, the federal government instituted the National Child Benefit for low-income Canadians. The NCB is delivered through the Canada Child Tax Benefit and the National Child Benefit Supplement, as part of a federal/provincial/territorial agreement. Although the NCB is not a childcare program, it does ensure some money goes to families raising children. The NCB includes a "reinvestment" strategy, which permits provinces to reduce welfare payments for low-income families with children, provided they use the reduction to fund other services to promote healthy child development. This aspect of the NCB has drawn the most criticism, since reducing welfare expenditures tends to be a higher priority than helping poor families.

National Child Care Act, the National Children's Agenda and the New Social Union

Currently, under the window of possibility created by the Social Union and the National Children's Agenda, children's advocates are working to ensure federal action on childcare. Advocates are calling on the federal government for a national strategy for early childhood development

and services for all children, as well as much improved maternity and parental leave benefits and a less punitive National Child Benefit.¹⁵⁷

Given the loss of CAP and the federal government's preference for decentralization, leadership will have to come from the provinces. According to the 1996 federal Throne Speech, no new national programs in areas of provincial jurisdiction will be created without the agreement of a majority of the provinces.¹⁵⁸ A variety of social policy organizations, including Campaign 2000, the Child Care Advocacy Association of Canada and others, are therefore turning to their provincial governments to champion a national childcare policy to support children and families.

In the 1980s, Manitoba was at the forefront of such political organizing. Advocates across the country recognized Manitoba's leadership and contributions to lobbying for a quality national childcare act. Over the Fall of 1987, the NDP government led by Community Services Minister Muriel Smith led a push for the federal government to set a national day care program.¹⁵⁹ In fact, under Muriel Smith, "daycare tops provincial agenda," according to the *Winnipeg Sun* of June 5, 1987.

The current provincial NDP has yet to announce if or how it will be working with the National Children's Agenda or the new Social Union to improve early childhood care and education. What is clear, however, is that in a traditionally "have-not" province like Manitoba, federal cost-sharing will be a prerequisite for improvement and expansion. It is equally clear that federal support will not be forthcoming without concerted pressure from the provinces.

Policy Challenges

Manitoba's childcare system has declined in many important respects over the past decade. The largest reason for this decline is lack of political will on the part of the government of the day. In the current system, there are some acute policy challenges that must be addressed.

Accessibility

There is a licensed childcare space for only one in ten Manitoba children. For infants and preschoolers, this ratio worsens. Access is also severely restricted for other groups. Many Manitoban children — especially those in rural and northern areas, in Aboriginal and francophone communities, those with special needs or whose parents work non-standard hours, and those who are sick — cannot find the services they need, when and where they need them.

Funding and support will need to be provided to ensure that children and families have access to the care they need, when they need it, where they need it, at costs that are affordable. This will require planned growth, supported by public funds.

To provide better access, childcare services must expand. Yet provincial policy and funding is restricted to “stabilizing” the current system. In such proposals, the needs of staff are prioritized before the needs of children and families who use the system. This may have the unintended effect of introducing antagonisms between providers and those they care for, with negative implications for solidarity within the field.

Quality

Manitoba's regulations provide a floor below which the quality of care is not supposed to fall. Yet, one in three centres violates the requirements for trained staff, and there are no training requirements for family day care homes. Centres and family homes now care for larger numbers of children. In 1989, 100% trained staff ratios characterized many centres; today, only 66% are required to be trained and one-third of centres fall below that. Good wages are a predictor of quality, and wages in Manitoba have fallen. As funding dropped by 14% over the decade, wages consumed a larger portion of budgets, taking funds away from children's programming. As knowledge about early childhood care and education grows, Manitoba's childcare system may be too under-funded to keep up with best practices.

Inadequate funding continues to pose significant challenges for a childcare system aiming for high quality care and education.

Affordability

An important dimension of accessibility is affordability. It scarcely matters if services exist in a neighbourhood if parents cannot afford them. In Manitoba, as in all provinces except Quebec and British Columbia, childcare firmly remains a market service with user fees. Daycare is very expensive, easily representing almost half the after-tax income of women in many clerical and service occupations.¹⁶⁰ The affordability of Manitoba's care just worsened, as a fee increase will be implemented effective June 25 2000. This sends

a problematic signal: in provinces moving toward public funding and the entitlement of all children, fees either remain constant or drop

Raising fees seems like an easy solution for a cash-strapped system; less obvious are the negative consequences that flow from hiking parent fees and remaining trapped in a user-fee system. In a display of this ignorance, the *Winnipeg Free Press* has thrice editorialized about the need for fee increases, and recommended even larger hikes than those announced in May 2000.¹⁶¹ The inescapable fact is that in a market-based system, the problem of affordability is inherent and integral to the fundamental service. How, therefore, will the provincial NDP government ensure that all families have access to high quality childcare as market forces continue to operate?

Subsidies

Martha Friendly, of the Child Care Resource and Research Unit at the University of Toronto, bluntly declares that “the subsidy system is a dinosaur... we should have early childhood care and education for all children.”¹⁶² As she points out, the best policy is public funding that ensures universal access. Failing that, an interim improvement would be a system of sliding fees that recognizes family income and need. However, Manitoba currently subsidizes only 5% of the province’s children, leaving the rest to the market and their parents’ ability to pay. Those parents who do qualify for eligibility — set punishingly low, below the poverty line — must pay up to \$2.40 per day per child. The NDP in opposition strongly protested the intro-

duction of these fees, which makes their recent 2000 budget decision to continue the Tory policy puzzling.

Commercial Care

Because the free-enterprise sector may be willing to start-up badly needed services at little or no public cost, governments eager to see service expansion without increased public expenditures may encourage growth in the commercial sector. Over three fiscal years, as the Filmon government changed childcare policy, the commercial sector grew 17%.¹⁶³ The Manitoba Liberals and Progressive Conservatives are on record as supporting commercial childcare service, and would further open the market to free enterprise childcare.¹⁶⁴

The current government will have to choose how it will fund and monitor the commercial sector in Manitoba. Back in 1989, a decision was made to grandfather existing for-profit centres. How will the serious quality concerns about Manitoba commercial centres be addressed? How will the hyper-exploitation of underpaid staff in commercial centres be rectified? Current government policy has thus far not publicly addressed these issues.

Fee Ceilings

Manitoba maximum fees are effectively provincially-determined.¹⁶⁵ This has had the effect of ensuring equal revenues for facilities, preventing the development of two-tiered care, with expensive care for affluent families and cheaper service for lower-income parents. Another benefit

has been that the fee model (in combination with the funding structure) has created an environment in which commercial childcare is discouraged.

Some discussions have introduced the possibility of lifting the fee ceilings.¹⁶⁶ In such an environment, the profit potential for commercial centres would be greatly increased. Additionally, differences would likely emerge in facilities in high and low-income neighbourhoods, creating “cadillac” care in affluent areas where parents could afford higher fees. In such “cadillac” centres, salaries to staff might rise due to higher revenues, benefiting low paid workers; two-tiered care, however, violates social equity and social solidarity.

What sorts of choices will the government make about fees? In light of the Quebec model of \$5/day childcare, and the announcement of moves toward a similar plan for British Columbia, Manitoba parents are likely to ask for parity. How will our government respond?

Under-Served Communities

Nine out of ten Manitoba children do not have access to a licensed childcare space. For many children, access is even worse. Infant care, school-age care, rural and northern care, care for children with special needs, extended hours care, and care for Aboriginal and minority (including language minority) children are lacking. Access is stratified by class and other social divisions. How will social equity be ensured? How will these service needs be met?

Wages

Manitoba’s childcare workers earn ex-

ploitative wages, face poor working conditions and uncertain financial prospects. Not surprisingly, some are “voting with their feet” and leaving the field while many others are turning to the solidarity of the labour movement. The loss of trained staff severely compromises the quality of care that is provided to children. Currently, one in three Manitoba centres is operating without the required number of trained staff.

The recent funding increase may “stabilize” the system, as the MCCA and others have called for, by permitting some wages to rise. The larger structural problem, however, will remain: namely, in a user-fee system, wages depend on fees and parents cannot afford to pay what staff deserve to earn. There is no way out of this permanent Catch-22 except by moving to public funding. Unfortunately, Manitoba policy-makers are not discussing a new model of childcare provision — meaning that the structural problems of wages and fees are likely to go unaddressed.

In the meantime, as long as childcare remains a market service, serious consideration should be given to restoring salary enhancement grants. Designated wage grants go directly to staff, permitting wages to rise and redressing some (but not all) workforce issues.

Planning and Coordination

Family policy is complex and inter-related. Because of the past practice of fragmenting family and children’s services in discrete policy silos, there is little planning or coordination across differing areas of responsibility or jurisdictions. Education oversees kindergartens, Family Services

and Housing has responsibility for childcare services, Labour governs maternity and parental leave, Manitoba has no designated municipal role — yet health, justice, the status of women and other departments also overlap. The policy fragmentation and incoherence must end, and family policy must be planned and coordinated.

Maternity and Parental Leave

One obvious reform would be to amend Manitoba's employment standards legislation to extend provincial maternity, parental and adoption leaves to synchronize with the newly-announced federal initiative permitting new parents up to one year of Employment Insurance coverage. EI is an admittedly imperfect method of paying for reproduction, since it covers only about one in three workers and the remuneration rates are far too low. Still, it is the only existing mechanism to provide income replacement to new parents. As such, Manitoba should immediately bring provincial legislation in line with the maximum permitted federal leave. In the longer-term, as explained above, family policy needs to be coordinated and comprehensive.

National Action

Manitoba is traditionally one of Canada's "have-not" provinces. It is clear that an adequate early childhood care and education system for all Manitobans will be extremely difficult without federal cost-sharing. What sorts of leadership and initiative will the provincial government take in ensuring a national childcare policy develops?

During the 1980s, part of what made Manitoba a Canadian leader was its effective role in working for a national childcare act. What stance will the Manitoba government take in current federal/provincial discussions regarding the National Children's Agenda? Will we see the national leadership and championing that the Manitoba NDP brought to Ottawa in the 1980s?

Future Policy Directions

The 1990s have been a decade of decline in many respects. The small gains that have occurred do not offset the significant losses — and the childcare system that endured the 1990s was far from adequate, even a decade ago.

Recent policy proposals and the 2000-01 budget emphasize "stabilizing" the system, with a focus on wages. The childcare workforce is exploited and the need for government redress is urgent and unmistakable. At the same time, there are other urgent and compelling needs. Our province's childcare system cannot accommodate the nine in 10 children excluded from licensed early childhood care and education, it under-serves children with special needs, families outside of urban centres, parents who want extended hours care, infants and school-age children, Aboriginal and minority communities and others. Care is unaffordable for most Manitobans, and the crisis of access and cost must be addressed. So far, planning for growth and access is not on the table.

Currently, there is policy and service fragmentation. The provincial government (like the federal government) has no obligation to plan for or coordinate early

childhood care and education. As a result, children's access to quality service is essentially random, depending on family resources. Under this market-based system, early childhood educators cannot get wage fairness. The compounded effects of under-funding and political neglect mean worsened quality of care for children and families. The childcare system that was coming into being in the 1980s has been badly eroded, but was not perfect even before a decade of cuts and losses.

We should not patch up the inadequa-

cies of the current market-based system, tempting as that option may seem in the short-term. Quality, wages, access, funding, coordination and affordability are knitted together: none can be solved in isolation, since it is their interplay which creates the problems detailed in this report.

Manitoba needs to redesign early childhood care and education as a publicly-funded service for all children. When — or whether — this happens is a question of political will.

Key informant Interviews:

Debra Mayer, Manitoba Representative to the Child Care Advocacy Association of Canada (CCAAC). Interviewed March 23, 2000.

Pat Wege, Executive Director, Manitoba Child Care Association (MCCA). Interviewed March 28, 2000.

Doug Martindale, MLA for Burrows. Interviewed on March 28, 2000.

Glen Murray, Mayor of City of Winnipeg. Interviewed April 7, 2000.

Wayne Helgason, Executive Director of the Winnipeg Social Planning Council. Interviewed April 7, 2000.

Martha Friendly, Coordinator of the Child Care Resource and Research Unit of the Centre for Urban and Community Studies at the University of Toronto (CRRU). Interviewed April 5, 2000.

Jon Gerrard, Leader of the Liberal Party of Manitoba. Interviewed April 11, 2000.

Kathy Reid, Director Child Day Care Office. Responded by letter to written questions.

Dale Brownlee, Acting Manager, Healthy Child Initiative. Interviewed April 16, 2000.

Tim Sale, Minister of Family Services and Housing. Interviewed April 20, 2000

Tannis Mindell, Deputy Minister of Family Services and Housing. Interviewed April 26, 2000

Andrew Robson, Southern First Nations Child Care Corporation. Interviewed April 18, 2000

Ken Hildahl, Vic Wonnacott and Brenda Hasiuk, of Manitoba Government Employees' Union. Interviewed April 28, 2000.

Declined interviews:

Loren Remillard, Public Affairs Manager, Winnipeg Chamber of Commerce

Bonnie Mitchelson, MLA for River East, former PC Minister of Family Services

Myrna Driedger, MLA for Charleswood, current PC Family Services and Housing Critic

Endnotes

¹ National Council of Welfare, 1999. *Preschool Children: Promises to Keep*. Ottawa., p. 44

² March 10, 1987, "Too Many Kids, Not Enough Cash," *Winnipeg Sun*, p. 54.

³ Conference Board of Canada, 1989. *The Corporate Response to Employees with Family Responsibilities*. Ottawa.

⁴ For a comprehensive literature review, see Martha Friendly, 1999, "Child care and Canadian federalism in the 1990s: Canary in a coal mine," forthcoming in G. Cleveland and M. Krashinsky, eds. *Good Childcare for the 21st Century: Preparing the Policy Map*, Toronto: University of Toronto Press

⁵ Martha Friendly, January-February, 1997. "What is the Public Interest in Childcare?" *Policy Options*; and National Council of Welfare, *Children First: A Pre-Budget Report* (Autumn 1999).

⁶ Stevens, H. 1984. *Child Care Needs and Realities in Winnipeg - 1984*, Social Planning Council of Winnipeg.

⁷ Mustard and McCain, Friendly, Cleveland & Krashinsky, Vancouver Board of Trade.

⁸ National Council of Welfare, April 1999, *Preschool Children: Promises to Keep*, Ottawa, pp. 70, 89

⁹ Canadian Policy Research Network, July 30, 1999. Press release for *Values and Preferences for the "Best Policy Mix" for Canadian Children*, by Joseph Michalski

¹⁰ Cited in MCCA, 1993. *Regulation, Education, Remuneration*, MCCA: Winnipeg, p. 5.

¹¹ Gordon Cleveland and Michael Krashinsky, 1998, *The benefits and costs of good child care: The economic rationale for public investment in young children*, Toronto. Societal benefits include increased workforce participation, higher tax revenues, and lower social spending.

¹² Vancouver Board of Trade Task Force on Early Child Development and Child Care, July, 1999, *Investing in our Children is Good Public Policy*, Vancouver.

¹³ Pence, A. et al, 1997, *Canadian National Child Care Study: Shared Diversity: An Interprovincial Report on childcare in Canada*. Statistics Canada and Human Resources Development Canada: Ottawa., p. 93.

¹⁴ *Report of the Child Care Task Force*, 1989, p. 95 and 114

¹⁵ CRRU, 2000, *Early Childhood Care and Education in Canada: Provinces and Territories 1998*, Toronto. p. 48. Manitoba women with very young children (ages 0-2) have labour force participation rates of about 62%. As children become preschoolers aged 3-5, more mothers work: the labour force participation rate of mothers of preschoolers is about 76%. By the

time their children are in school (aged 6-15) about 83% of Manitoba mothers are in the paid workforce. There is little school-aged care for the children of these working mothers.

¹⁶ National Council of Welfare, 1999. *Preschool children: Promises to keep*. Ottawa. Table 4-B, p. 46.

¹⁷ *Macleans*, April 10, 2000 p. 9, citing 1998 Statistics Canada report.

¹⁸ Jenson, J. and J. Maxwell, "Parents and children need more and better choices", Commentary. Canadian Policy Research Networks, posted at www.cprn.ca

¹⁹ Ferniuk, M. Acting Program Specialist, Child Day Care, personal communication, April 14, 2000. Figures as of March 31, 2000.

²⁰ Because of how base data is tracked, the province only knows utilization rates in funded centres. See Appendix on Licensed Spaces and Utilization for more information.

²¹ Ferniuk, M. Acting Program Specialist, Child Day Care, personal communication, April 14, 2000. Figures as of March 31, 2000.

²² Ferniuk, M. Acting Program Specialist, Child Day Care, personal communication, April 14, 2000. Figures as of March 31, 2000.

²³ *Report of the Task Force on Child Care*, 1989. p. 38.

²⁴ Stevens, H. 1984. *Child Care Needs and Realities in Winnipeg - 1984*, Social Planning Council, p. 19.

²⁵ Results from the 1998 "You Bet I Care" National study's profile of child care centres across Canada. (Research Team headed by Gillian Doherty) posted at www.childcarecanada.org. (Prior to May 2000, YBIC was only available online.)

²⁶ "You Bet I Care", Centre resources and expenditures paper, posted at www.childcarecanada.org.canada.

²⁷ *Report of the Task Force on Child Care*, 1989. p. 39.

²⁸ Children aged 0-12 are the pool requiring care. Children aged 6-12 are calculated as 50% of the total pool. This assumes relatively proportional age distribution over time, a reasonable demographic presumption.

²⁹ Jenson, J. with Sherry Thompson, 1999. *Comparative Family Policy: Six Provincial Stories*. Canadian Research Policy Networks: Ottawa, p. 12.

³⁰ Jenson, J. with Sherry Thompson, 1999. *Comparative Family Policy: Six Provincial Stories*. Canadian Research Policy Networks: Ottawa, p. 6.

³¹ CRRU, *Manitoba Childcare Information Sheet 1987*, CRRU, Toronto

³² If a facility is in receipt of operating grants or enrolling subsidized children, the facility must adhere to maximum fees. Licensed unfunded facilities may charge any fee. In practice, the provincial ceiling functions as a *de facto* province-wide cap on fees.

³³ Though boards can set a surcharge of up to \$2.40 per child per day.

³⁴ See Appendix on fees for explanatory notes.

³⁵ Beach, J, J. Bertrand and G. Cleveland, 1998, *Our Child Care Workforce: from Recognition to Remuneration*, Human Resources Canada, Ottawa, p. 28

³⁶ This is true of about 479 of Manitoba's 554 family homes; in about 75 homes, family providers' qualifications entitle them to charge higher rates, a new policy begun in 1999.

³⁷ In 1999, family home daycare providers with ECE II or III classification were allowed to charge the higher centre fee for the age of child. This had the effect of increasing the income of trained home providers by increasing the cost to parents.

³⁸ Table 5, "You Bet I Care" National Study, profile of child care centres in Canada. Posted at www.childcarecanada.net

³⁹ Calculated by considering the value of \$2.40 to the daily cost of care for different age groups in different care settings. School-age calculated at typical part-day care, not full-day. See the Appendix on fees.

⁴⁰ Calculated on the 184 of the 261 days/yr that children use part-day care. For 76 days/yr school-age children require full day care. This increase not calculated.

⁴¹ CRRU, 2000. *Early childhood care and education in the provinces and territories, 1998*. CRRU: Toronto, p. 50.

⁴² Stevens, H. 1984. *Child Care Needs and Realities in Winnipeg — 1984*, Social Planning Council, p. 90.

⁴³ National Council of Welfare, 1999, *Preschool Children: Promises to Keep*. Ottawa. p. 53.

⁴⁴ National Council of Welfare, 1999, *Preschool Children: Promises to Keep*. Ottawa. p. 53.

⁴⁵ Jenson, J. and J. Maxwell, "Parents and children need more and better choices", Commentary. CPRN

⁴⁶ CRRU, 2000, *Statistics Summary: Canadian Early Childhood Care and Education in the 1990s (Revised)*, Toronto, p. 3

⁴⁷ Interview, Martha Friendly, April 5, 2000.

⁴⁸ Native Council of Canada, 1989. *Our Children, Our Way: Report of the National Day on Native Child Care Challenges into the 1990s*, p.16.

⁴⁹ The Manitoba Intercultural Council raises this concern, cited in Winnipeg Social Planning Council, 1988, *A Policy Statement on Child Care*, SPC: Winnipeg, pp. 11 - 12.

⁵⁰ "You Bet I Care", Table 10, Centre Expenditures and resources paper, posted at www.childcarecanada.org

⁵¹ Fort Rouge Child Care Inc., April 25, 2000. Director's Report to the Annual General Meeting. The Director also notes that parents themselves understand the need for these extra costs, appreci-

ating that in the absence of funding they must pay directly.

⁵² In 1999, the professional designation "Child Care Worker" changed to "Early Childhood Educator". I use the terminology appropriate for the historical period when discussing past events.

⁵³ Interviews with Pat Wege and Debra Mayer

⁵⁴ Interprovincial Comparisons in Child Care, July 1995. CRRU mimeo, p.3

⁵⁵ MCCA, *Taking Steps for Brighter Futures*. nd [September 1999], pages 3 and 4 cites 25% of centres as operating with an exemption. In the Winnipeg Social Planning Council's 1999 *Child Poverty Report Card*, the figure of 25% is used (p. 32). By March 2000, the rate had increased to 33%, and MCCA believes it may be even higher.

⁵⁶ Letter from Family Day Care Association of Manitoba to Membership, nd "Regulatory Review/ Mandatory Training," Winnipeg. The Family Day Care Association of Manitoba (now amalgamated with the MCCA) supports training as a condition of licensing

⁵⁷ An alternative explanation for this phenomenon is that in 1989 more providers had children of their own under the age of 12, which lowered the number of children for whom they they could be licensed. Child Day Care staff familiar with family home care licensing believe that providers have always tried to maximize their income by enrolling as many children as they are permitted by license, and are more inclined to the alternative explanation. There is no way to check whether or not this alternative explanation is true, so I hold the hypothesis presented.

⁵⁸ Calculated by dividing the total number of licensed spaces by the total number of licensed homes. See Tables.

⁵⁹ National comparisons drawn from Pence. A. et al, 1997, *Canadian National Child Care Study: Shared Diversity: An Interprovincial Report on childcare in Canada*. Statistics Canada and Human Resources Development Canada: Ottawa., p. 48.

⁶⁰ National Council of Welfare, 1999, *Preschool Children: Promises to Keep*. Ottawa. p. 53; see also Prentice, S. 2000, "The Business of Childcare: the Question of Auspice" in Larry Prochner and Nina Howe, Eds. *Early Childhood Education in Canada: Past, Present and Future*, Vancouver: University of British Columbia Press

⁶¹ MCCA, 1993. *Regulation, Education, Remuneration*, MCCA: Winnipeg, p. 36.

⁶² The Manitoba "teaching staff" (the combined group of assistant teachers, teachers and supervisors) earned \$8.29/hr in commercial centres and \$9.92/hr in non-profit centres. The Manitoba sample for YBIC was 13 commercial and 109 non-

- profit. Source: Gillian Doherty, Principle Investigator. Personal communication about "You Bet I Care" national data, April 17, 2000
- ⁶³ Figure 10.1 of *You Bet I Care*, 2000. Chapter 10, Centre Resources and Expenditures. p. 129.
- ⁶⁴ Pence, A., Coordinating Editor, 1992. *Canadian National Child Care Study: Canadian child care in context: Perspectives from the Provinces and Territories*. Statistics Canada and Health and Welfare Canada: Ottawa, p. 292 and Pat St. Germain, April 21, 1991, "Tories Create Day-care Split," *Winnipeg Sun*.
- ⁶⁵ For discussion of commercial influence in Ontario, see Prentice, S., 1988. "Kids Are Not For Profit: The Politics of Profit-Making Day Care." In *Social Movements, Social Change: The Politics and Practice of Organising*, Eds. F. Cunningham et al, Toronto: Between the Lines Press.
- ⁶⁶ Ferguson, E and S. Prentice, 2000. "Parent Involvement in Childcare: The Canadian Example," In J. Hayden, Ed. *Landscapes in Early Childhood Services: Cross-National Perspectives on Empowerment and Restraint*, Sydney: Peter Lang Publishing
- ⁶⁷ Tannis Mindell interview
- ⁶⁸ Robson, A. Winter 1996, "Understanding the First Nations/Inuit Child Care Initiatives Program," *Child Care Focus*, Vol 39, p. 23.
- ⁶⁹ Robson, A. Winter 1996, "Understanding the First Nations/Inuit Child Care Initiatives Program," *Child Care Focus*, Vol 39, p. 23.
- ⁷⁰ CRRU, 2000, *Early Childhood Care and Education in Canada: Provinces and Territories 1998*, Toronto, p. 47.
- ⁷¹ *Report of the Child Care Task Force*, 1989, p. 80.
- ⁷² *Report of the Child Care Task Force*, 1989, Recommendations 156-169 pp. 86-92.
- ⁷³ CRRU, 2000, *Early Childhood Care and Education in Canada: Provinces and Territories 1998*, Toronto, p. 47.
- ⁷⁴ Wayne Helgason interview
- ⁷⁵ Described in Winnipeg Social Planning Council, 1988, *A Policy Statement on Child Care*, SPC: Winnipeg, pp. 11 - 12.
- ⁷⁶ *Report of the Child Care Task Force*, 1989, Recommendation 7, p. 22.
- ⁷⁷ Unlike "bilingual" or "immersion" francophone childcare, "Francais" care is characterized by complete french-language saturation, from communication with parents to child-child and child-staff interactions.
- ⁷⁸ Lowe, Keith, Chair. 1992. *Report of the Working Group on Francophone Day Care*. Manitoba.
- ⁷⁹ Figure calculated from Table 3.2, Table 1 of Lowe, Keith, Chair. 1992. *Report of the Working Group on Francophone Day Care*. Manitoba.
- ⁸⁰ *Report of the Task Force on Child Care*, 1989. p. 47-48.
- ⁸¹ Pence. A. et al, 1997, *Canadian National Child Care Study: Shared Diversity: An Interprovincial Report on childcare in Canada*. Statistics Canada and Human Resources Development Canada: Ottawa., p. 94
- ⁸² Native Council of Canada, 1989. *Our Children, Our Way: Report of the National Day on Native Child Care: Challenges into the 1990s*, p. 10.
- ⁸³ *Report of the Child Care Task Force*, 1989, p. 76-78.
- ⁸⁴ "Rural Child Care Project Launched", nd., no source
- ⁸⁵ Teichrob, R, May 12, 1991, "Day care shortage puts 40% at home alone: rural survey shows childcare services lacking," *Winnipeg Free Press*, p. 1.
- ⁸⁶ Lett, D. "Rely on family, friends for daycare province tells farmers," *Winnipeg Free Press*, p. 2.
- ⁸⁷ Brockman, L. 1994. *Child care and child safety for farm children in Manitoba*. Rural Development Institute: Brandon, p. 32.
- ⁸⁸ Brockman, L. 1994. *Child care and child safety for farm children in Manitoba*. Rural Development Institute: Brandon, p. 32.
- ⁸⁹ 1997/98 *Family Services Annual report*, p. 91.
- ⁹⁰ CRRU, 2000, *Early Childhood Care and Education in Canada: Provinces and Territories 1998*, Toronto, p. 47.
- ⁹¹ *Report of the Task Force on Child Care*, 1989. p. 45.
- ⁹² CRRU, 2000, *Statistics Summary: Canadian Early Childhood Care and Education in the 1990s (Revised)*, Toronto.
- ⁹³ Pence, A., Coordinating Editor, 1992. *Canadian National Child Care Study: Canadian child care in context: Perspectives from the Provinces and Territories*. Statistics Canada and Health and Welfare Canada: Ottawa, p. 295.
- ⁹⁴ "You Bet I Care" National Study, profile of child care centres in Canada. Posted at www.childcarecanada.net
- ⁹⁵ MCCA, nd, "Profile of Licensed Child Care in Manitoba", Winnipeg.
- ⁹⁶ Betcherman, G. and R. Chaykowski. 1996. *The Changing Workplace: Challenges For Public Policy*. Ottawa: Applied Research Branch, Human Resources Development Canada. p. 8
- ⁹⁷ Manitoba Family Services and Housing, 2000, *Manitoba Family Services Annual Report, 1998/99*.
- ⁹⁸ Dudek, D. Fall 1993, "Child Care in Canada: A Viewpoint from Manitoba," *Interaction*, Vol 7, no 3. p.28.
- ⁹⁹ Russell, F. November 4, 1989. "Filmon using wrong figures in daycare dispute," *Winnipeg Free Press*
- ¹⁰⁰ Bracken, D., P. Hudson, G. Selinger, 1988, *Day care in Manitoba and the 1988 Provincial Election: The potential for change*. School of Social Work, University of Manitoba: Winnipeg, p. 1.
- ¹⁰¹ *Annual Report of the Department of Community Services, 1991-92*, p. 45.
- ¹⁰² Janice Moeller and Stevens Wild, March 9, 1992, "Daycare centres blame fee hikes as waiting lists

vanish," *Winnipeg Free Press*, pp. A1-A2.

¹⁰³ Letter by Carol Draper, Chairperson, MCCA to Benoit Bouchard, Minister of National Health and Welfare, Canada, December 13, 1991.

¹⁰⁴ Melanie Verhaeghe, "Selkirk daycare losing children to government restructuring" *Selkirk Journal*, June 25, 1991; Roger Newman, "Director foresees hardships on working parents," *Stonewall Argus/Teulon Times*, June 191, 1991; "Ruth Teichrob, "Battle plans drawn over day-care overhaul", *Winnipeg Free Press*, May 9, 1991; Arlene Billinkoff, "Government restraint puts pinch on day care centres," *Winnipeg Free Press*, November 12, 1991; Vicki Hornick, "Daycare centre asks for help: Centre will close without funding help, Director warns," *The Pas Times*, October 16, 1991.

¹⁰⁵ Dan Lett, "No money for day-care food, province says", *Winnipeg Free Press*, August 12, 1992, B14.

¹⁰⁶ 1995/6 Annual Report, Department of Family Services, p.65.

¹⁰⁷ *Annual Report of the Department of Community Services*, 1993-4, p. 71; MCCA, *MCCA Bulletin #6*, May 1998, p. 12.

¹⁰⁸ Interview, Tim Sale, Minister of Family Services and Housing.

¹⁰⁹ J. Moeller and S. Wilds, March 9, 1992, "Day care forces crunch: daycare centres blame fee hikes as waiting lists vanish", *Winnipeg Free Press*, p., A1 - A2; Verhaeghe, M. December 14, 1992, "No more waiting lists," *Winnipeg Sun*; "Shoe String Budget Campaign," nd., Morden Day Care Centre

¹¹⁰ Family Services and Housing Deputy Minister Tannis Mindell describes the Laurendeau report as consultative. (Interview).

¹¹¹ *Annual Report of the Department of Community Services*, 1992-93, p. 74.

¹¹² *Annual Report of the Department of Community Services*, 1991-92, p. 45.

¹¹³ Interviews, Pat Wege and Debra Mayer.

¹¹⁴ Davis, T. April 14, 1996, "Daycare spots frozen," p A1-A2, *Winnipeg Free Press*.

¹¹⁵ Letter to the Editor, Tim Sale, Minister of Family Services and Housing, *Winnipeg Free Press*, April 18, 2000

¹¹⁶ The coercive aspects of targeted programs and workfare have been well documented. It is beyond the scope of this report to analyze these Manitoba initiatives, which were associated mainly with the Child and Youth Secretariat, disbanded in March 2000. Early Start, a home visiting program, is the most well-known of these programs. Their relationship to the regulated childcare system is only indirect, and hence they will not be discussed in this report (Interview, Dale Brownlee)

¹¹⁷ "Day Care Training Program Underway",

Winnipeg Sun, February 6, 1985.

¹¹⁸ Pence, A., Coordinating Editor, 1992. *Canadian National Child Care Study: Canadian child care in context: Perspectives from the Provinces and Territories*. Statistics Canada and Health and Welfare Canada: Ottawa, p. 294.

¹¹⁹ Family Services Annual Report, 1990-91, p. 77.

¹²⁰ Martin, N. 1991, "Day care staff seek 60% pay raise by 1994", *Winnipeg Free Press*

¹²¹ Manitobans for Quality Care, Press release dated April 19, 1991; see also the 1989 *Report of the Task Force on Day Care*.

¹²² *Annual Report of the Department of Community Services*, 1986-87, p. 17.

¹²³ Doherty, G., 1999, "You Bet I Care," National Study at www.childcarecanada.org

¹²⁴ You Bet I care," discussing Table 4 in "Centre resources and expenditures" paper, posted at www.childcarecanada.org

¹²⁵ MCCA, *MCCA Bulletin #6*, May 1998, p. 12.

¹²⁶ MCCA, *MCCA Bulletin #6*, May 1998, p. 12, Harrison, R. December 13, 1993, "Childcare charge\$: workers demand government cough up \$13.3 M owed," *Winnipeg Free Press*, p. 4.

¹²⁷ The CRRU also calculates a real drop in Manitoba funding. CRRU, 2000, *Statistics Summary: Canadian Early Childhood Care and Education in the 1990s (Revised)*, Toronto, p. 2.

¹²⁸ "You Bet I Care" National Study, Centre resources and expenditures. Posted at www.childcarecanada.net

¹²⁹ Winnipeg Social Planning Council, 1988, *A Policy Statement on Child Care*, SPC: Winnipeg, p. 16.

¹³⁰ *Task Force on Day Care*. 1989. p. 124

¹³¹ MCCA, nd [1999], *Taking Steps for Brighter Futures*, p.2.

¹³² Letter from Minister of Family Services and Housing Minister Tim Sale to child care providers, dated May 11, 2000.

¹³³ Family Services *Annual Report*, 1998-99, p. 91.

¹³⁴ Personal communication with staff in the office of the Director of Manitoba Research, Doug Copeland.

¹³⁵ Using Statistics Canada 1999 Low-income Cut-off rates, National Council of Welfare, www.ncwcnbes.net.

¹³⁶ *Report of the Task Force on Child Care*, 1989. p. 109.

¹³⁷ 1991 data from Table A5, p. 31, *Caring for a Living*; 1998 data from *You Bet I Care* 1998 Survey Data (www.cfc.etc.ca). Salary levels calculated by Caring for a Living researchers to represent after-tax income.

¹³⁸ In the You Bet I Care Study, the language of "assistant teacher" and "teacher" are used; I have reinterpreted them in the Manitoba context as equivalent to untrained (ECE I) and trained (ECE II

or III).

¹³⁹ Figures in this paragraph all drawn from MCCA, *MCCA Bulletin # 6*, May 1998, pp. 7-10.

¹⁴⁰ Research into quality of care has demonstrated that good salaries and low turnover rates are associated with higher quality of care provided to children. See Gillian Doherty, *Quality Matters*.

¹⁴¹ "You Bet I Care" National Study, profile of child care centres in Canada. Posted at www.childcarecanada.net (Manitoba's turnover rate for assistant teachers was 18.7% and 19% for teachers, and 9.9% for directors.)

¹⁴² Doherty, G. 1990, *Factors related to quality in child care: Annotated bibliography, 1990*, Community and Social Services: Toronto, and G. Doherty, 1991, *Quality matters in child care*. Jesmond Publishing: Huntsville.

¹⁴³ MCCA, May 1998, "Show Us the Money," News Bulletin.

¹⁴⁴ Pat Wege interview, March 28, 2000. At the 2000 MCCA AGM, Executive Director Pat Wege, responding to the impression from the floor that MCCA controlled the Reg Review Committee, reported that the MCCA had three seats on the Reg Review.

¹⁴⁵ See the discussion in "Caring for Living" (1991) and "You Bet I Care (2000) for analysis.

¹⁴⁶ A home-based strategy is complex, given legal rulings that family home daycare providers are independent contractors. MGEU is currently working with family home care providers to find a way to represent their concerns.

¹⁴⁷ CPRN Press Release, January 29, 1999, "New report finds support lacking for Canadians balancing work and family responsibilities." (Press release for K. O'Hara, *Comparative Family Policy: Eight Countries' Stories*, CPRN: Ottawa)

¹⁴⁸ A parent with an income over \$48,750 will have to pay back a portion of EI, in what is known as a "clawback."

¹⁴⁹ Women EI eligibility figure from CAUT *Bulletin*, Vol 47, no 4, p. 7, "Women hardest hit by cutbacks in EI benefits"; men's EI eligibility figure from CCPA, 2000. *Alternative Budget, Budget Highlights*, p. 1.

¹⁵⁰ CRRU, 2000, *Early Childhood Care and Education in Canada: Provinces and Territories 1998*, Toronto. p. 48.

¹⁵¹ Jenson, J. with Sherry Thompson, 1999. *Comparative Family Policy: Six Provincial Stories*. Canadian Research Policy Networks: Ottawa, p. 19.

¹⁵² Pence, A., Coordinating Editor, 1992. *Canadian*

National Child Care Study: Canadian child care in context: Perspectives from the Provinces and Territories, Statistics Canada and Health and Welfare Canada: Ottawa, p. 290

¹⁵³ Pence, A., Coordinating Editor, 1992. *Canadian National Child Care Study: Canadian child care in context: Perspectives from the Provinces and Territories*. Statistics Canada and Health and Welfare Canada: Ottawa, p. 290

¹⁵⁴ Jenson, J. with Sherry Thompson, 1999. *Comparative Family Policy: Six Provincial Stories*. Canadian Research Policy Networks: Ottawa, p. 6.

¹⁵⁵ Jenson, J. with Sherry Thompson, 1999. *Comparative Family Policy: Six Provincial Stories*. Canadian Research Policy Networks: Ottawa, p. 12.

¹⁵⁶ Jenson, J. with Sherry Thompson, 1999. *Comparative Family Policy: Six Provincial Stories*. Canadian Research Policy Networks: Ottawa, p. 12.

¹⁵⁷ Friendly, M. 1999. Brief to the Standing Committee on Finance Pre-budget Consultation, "The 1999 Federal Budget and the National Children's Agenda: Moving from Talk to Action". Posted at CRRU website, www.childcarecanada.org

¹⁵⁸ February 1996 Federal Throne Speech, p. 4; CCAAC, 1999, "Progress of the National Children's Agenda: 1996-1998"

¹⁵⁹ See "Daycare, 1984 - 1990," Vertical File in Manitoba Legislative Library.

¹⁶⁰ Doherty, G. M. Friendly and M. Oloman, 1998. *Women's Support, Women's Work: Child Care in an Era of Deficit Reduction, Devolution, Downsizing and Deregulation*. Status of Women: Ottawa, p. 33.

¹⁶¹ Winnipeg Free Press editorials, "You get what you pay for," March 11, 2000; "Day-care ghetto," April 29, 2000; "Daycare burden," May 20, 2000.

¹⁶² Martha Friendly, interview.

¹⁶³ In 1989-90, there were 35 commercial daycare centres in Manitoba, in 1991-92, there were 41. Commercial operations were able to take subsidized children as of 1991, and word of impending eligibility may have been part of what spurred the largest-ever jump in numbers.

¹⁶⁴ Bracken, D., P. Hudson, G. Selinger, 1988, *Day care in Manitoba and the 1988 Provincial Election: The potential for change*. School of Social Work, University of Manitoba: Winnipeg.

¹⁶⁵ In facilities receiving any funding or enrolling subsidized children, namely the vast majority of licensed facilities.

¹⁶⁶ See, for example, Allison Bray, "Poor pay creating chaos in day care, group says" April 28, 2000, *Winnipeg Free Press*, p. A7

Appendix 1
Childcare Fees in Manitoba, 1987 - 2000

For the purposes of this table, parent fees are calculated as the sum of the province's maximum subsidized fee and the unsubsidized daily fee (\$1 before 1993, \$2.40 after 1993. Most facilities apply this surcharge). For infants and preschoolers, "full" day means more than 4 hours/day and less than 10 hours/day care. "Regular" school-age care means two or more period of service: before-school, lunch-time and/or after-school care. This table uses typical home fees (where the provider does not have ECE II or III classification).

Sources: Family Services, 'Child day care: History of maximum daily fees and Schedule D Maximum Daily Fees; personal communication with Kathy Reid.

	Full-day Infant		Full-day Preschool		Regular School	
	Centre	Home	Centre	Home	Centre	Home
1987-88	\$15.65	\$15.65	\$13.20	\$13.20	\$8.10	\$8.10
1988-89	\$16.40	\$16.40	\$13.80	\$13.80	\$8.45	\$8.45
1989-90	\$17.10	\$17.10	\$14.40	\$14.40	\$8.80	\$8.80
1999-91	\$18.70	\$18.70	\$15.75	\$15.75	\$9.60	\$9.60
1991-92	\$27.45	\$20.00	\$18.40	\$16.10	\$9.60	\$9.60
1992-93	\$27.45	\$20.00	\$18.40	\$16.10	\$9.60	\$9.60
1993-94	\$27.45	\$20.00	\$18.40	\$16.10	\$9.60	\$9.60
1994-95	\$27.45	\$20.00	\$18.40	\$16.10	\$9.60	\$9.60
1995-96	\$27.45	\$20.00	\$18.40	\$16.10	\$9.60	\$9.60
1996-97	\$27.45	\$20.00	\$18.40	\$16.10	\$9.60	\$9.60
1997-98	\$27.45	\$20.00	\$18.40	\$16.10	\$9.60	\$9.60
1998-99	\$27.45	\$20.00	\$18.40	\$16.10	\$9.60	\$9.60
INCREASE from 1987 - 1999	75%	28%	39%	22%	21%	21%
1999-00	\$27.45	\$20.00	\$18.40	\$16.10	\$9.60	\$9.60
2000 - 01	\$28.00	\$20.40	\$18.80	\$16.40	\$9.60	\$9.60
INCREASE from 1987 - 2001	79%	30%	42%	24%	21%	21%

Appendix 2

Spaces and Utilization in Funded Facilities

Source: ‘Funded space’ numbers from Annual Reports, Family Services, and included fully and partially-funded spaces (therefore excluding all private centres and unfunded facilities); ‘utilization rate’ provided by Child Day Care, and are only available for 1991 onward. Utilization is calculated by the province from May to June (a typical one-month billing period) and represents the utilization rates of fully or partially-funded centres only.

<u>Year</u>	<u>Total Spaces</u>	<u>Funded Spaces</u>	<u>Utilization rate</u>
88-89	16,639	11,505	NA
89-90	17,246	11,761	NA
90-91	18,220	12,290	80.8%
91-92	18,977	14,009	70.7%
92-93	19,115	14,009	71.4%
93-94	18,988	13,773	63.1%
94-95	18,846	13,470	67.6%
95-96	19,286	13,618	62.8%
96-97	19,988	13,678	70.2%
97-98	20,490	13,504	69.9%
98-99	21,369	15,624	86.3%

Table 3
Subsidies in Manitoba, 1988 - 1999

This table shows that the relationship of fee-paying and subsidized parents has changed over the 1987 - 99 period. Overall, the system has become less income-mixed with more low-income parents. A likely implication is that fees are less affordable to unsubsidized parents.

Source: Subsidy figures are derived from the narrative in Annual Reports of Ministry of Family Services, 1987-88 through 1998-99. Some variation may occur between children, spaces and cases. No distinction is made between 'full' and 'partial' subsidy. Total spaces calculated as sum of all licensed centre and home spaces.

<u>Year</u>	<u>Subsidy</u>	<u>Total Spaces</u>	<u>Full Fee</u>	<u>% Subsidized</u>
87 - 88	5,300	15,870	10,570	33%
88 - 89	6,300	16,639	10,339	38%
89 - 90	6,709	17,246	10,537	39%
90 - 91	7,566	18,220	10,654	42%
91- 92	8,919	18,977	10,058	47%
92 - 93	9,669	19,115	9,446	51%
93 - 94	9,600	18,988	9,388	51%
94 - 95	9,900	18,846	8,946	53%
95 - 96	9,900	19,286	9,386	51%
96 - 97	8,600 ¹	19,988	11,388	43%
97 - 98	8,883 ²	20,490	11,607	43%
98 - 99	9,883	21,369	11,486	46%

¹ Of which 400 were reserved for training for Employment and Income Assistance clients.

² The 97-98 *Annual Report* notes that the subsidy allocation was exceeded by an unspecified amount. However, the 1998-99 *Annual Report* reports that the 98-99 allocation of 9,883 was an increase of 1,000 children. Hence, I calculated 8,883 for 1997 - 98.

Appendix 4

Growth in Licensed Facilities and Spaces: 1989 - 1999

Growth in the number of facilities has lagged behind growth in the number of licensed space capacity.

Source: Annual Reports, Family Services

	<u>Centres</u>	<u>Centre Spaces</u>	<u>Homes</u>	<u>Home Spaces</u>
88 - 89	485	14,347	428	2,292
89 - 90	487	14,623	470	2,623
90 - 91	493	15,094	556	3,126
91 - 92	508	15,504	613	3,473
92 - 93	511	15,563	622	3,552
93 - 94	518	15,720	560	3,268
94 - 95	519	15,735	521	3,111
95 - 96	516	16,014	524	3,272
96 - 97	526	16,614	531	3,374
97 - 98	525	17,001	537	3,489
98 - 99	522	17,723	544	3,646
Growth since 1989:	7.6%	19%	27%	51%

Appendix 5

Quality Breaches in Manitoba Centres, 1986- 1999

Licensing actions are issued by the Child Day Care Branch when there is an infraction of the regulations. Orders are issued when “serious violations of licensing regulations occur.” Nonprofit centres are listed below as “NP”; commercial centres are listed as “Comm”

Sources: Family Services Annual Reports, 1986-87 through 1998-1999.

	<u>Orders</u>		<u>Susp/Refusals</u>		<u>Total Number</u>	<u>Total Number</u>
	<u>NP</u>	<u>Comm</u>	<u>NP</u>	<u>Comm</u>	<u>NP Centres</u>	<u>Comm. Centres</u>
1986-87	1	2	0	0	NA	NA
1987-88	1	4	0	1	NA	NA
1988-89	3	1	0	0	444	41
1989-90	1	5	0	3	452	35
1990-91	1	1	0	1	455	38
1991-92	0	0	0	0	467	41
1992-93	1	4	0	0	470	42
1993-94	3	2	0	0	476	42
1994-95	2	1	0	0	478	41
1995-96	2	3	0	0	473	43
1996-97	0	1	0	0	483	43
1997-98	0	0	0	0	483	42
1998-99	1	1	0	0	481	41
TOTAL	16	24	0	5		

Note: 1986-87 and 1987-88 Annual Reports don't identify the total number of non-profit and commercial centres, although they do record violations by auspice.

Appendix 6A

Provincial Financial Assistance and Grants per Licensed Space, 1989-2000

This table calculates provincial spending on fee subsidies and direct grants to licensed childcare facilities.

Source: Financial figures are derived from “Expenditures by sub-appropriation” in Annual Reports of Ministry of Family Services, 1988 - 89 through 1998 - 99, excluding salaries, employee benefits and other expenditures of the Child Day Care Branch. Data for 1999-00 provided by Kathy Reid. Total spaces are calculated as the sum of all licensed centre and home spaces.

<u>Year</u>	<u>Spending</u>	<u>Total Spaces</u>	<u>Per space</u>
89-90	\$36.163.6 M	17,246	\$2,100
90-91	\$40.812.7 M	18,220	\$2,240
91-92	\$41.720.9 M	18,977	\$2,200
92-93	\$48.717.6 M	19,115	\$2,550
93-94	\$40.943.4 M	18,988	\$2,160
94-95	\$38.232.6 M	18,846	\$2,030
95-96	\$40.057.3 M	19,286	\$2,080
96-97	\$40.372.1 M	19,988	\$2,020
97-98	\$42.613.5 M	20,490	\$2,080
98-99	\$45.988.1 M	21,369	\$2,150
NEW: 99-00	\$51.015.7 M	22,112	\$2,307

\$2,100 in 1990 is equivalent to \$2,5620 in 2000

Appendix 6B

Real Provincial Spending per Licensed Space, Adjusted for 1990

This appendix is a companion to Appendix 6A. One dollar spent in 1999 purchased less than \$1 did in 1990. This table adjusts provincial spending per licensed space, using 1990 as a base. It shows that real spending on childcare has declined throughout the 1990s. In 1999, the province was only spending 86% of what it spent in 1989. Spending improved in 1999-00, and is projected to rise in 2000-01.

Note: This table calculates provincial spending on fee subsidies and direct grants to licensed childcare facilities. It excludes salaries, employee benefits and other expenditures of the Child Day Care Branch.

Source: Financial figures are derived from "Expenditures by sub-appropriation" in *Annual Reports* of Ministry of Family Services, 1988-89 through 1998-99. Total spaces are calculated as the sum of all licensed centre and home spaces. Adjustments use the Canadian Consumer Price Index, calculated by the "Inflation Calculator" of the Bank of Canada, at www.bank-banque-canada.ca/english/inflation_calc.htm

<u>Year</u>	<u>Actual Per space</u>	<u>Adjusted Per Space in \$1990</u>
1989 - 90	\$2,100	\$2,100
1990 - 91	\$2,240	\$2,100
1991 - 92	\$2,200	\$2,030
1992 - 93	\$2,550	\$2,300
1993 - 94	\$2,160	\$1,920
1994 - 95	\$2,030	\$1,800
1995 - 96	\$2,080	\$1,810
1996 - 97	\$2,020	\$1,720
1997 - 98	\$2,080	\$1,760
1998 - 99	\$2,150	\$1,800
Post-decade		
1999-00	\$2,307	\$1,891

00-01 - Cannot yet be calculated. Actual spending is unknown (although projections are announced) and the actual number of spaces is unknown, as is the CPI.

Appendix 7

Fully-funded Family Homes and Non-profit Centres, 1989-99

At least one in five centres and more than one in three homes was not fully funded over the decade. This appendix demonstrates that 67 - 85% of non-profit centres¹ were fully funded between 1989 and 99, compared to 50 - 79% of family homes in the same period. The province systematically under-funded family home care in comparison to centre-based care, producing inequity in public allocation of funds to these two sectors.

Source: Annual Reports, 1988-89 to 1998-99

<u>Year</u> <u>Percent</u>	<u>Centres</u> ²	<u>Centres with</u> Full Funding	<u>Percent</u>	<u>Homes</u>	<u>Homes With</u> Full Funding	
89-90	452	302	67%	470	326	69%
90-91	455	309	68%	556	358	64%
91-92	467	401	86%	613	357	58%
92-93	470	400	85%	622	342	55%
93-94	476	402	84%	560	302	54%
94-95	478	402	84%	521	261	50%
95-96	473	395	84%	524	296	56%
96-97	483	396	82%	531	294	55%
97-98	483	394	82%	537	279	52%
98-99	481	412	86%	544	430	79%
Average			81%			59%

¹ Because I hold that commercial centres should not be eligible for public funding, I do not include commercial centres in my analysis of facility funding patterns across the decade.

² Calculated by subtracting the number of private daycare centres from the total number of daycare centres for each year.

A Decade of Decline

Regulated Child Care in Manitoba, 1989 - 1999

Susan Prentice

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About the Author

Dr. Susan Prentice is a professor of Sociology at the University of Manitoba.

Background

The Canadian Centre for Policy Alternatives-Manitoba approached me in late 1999 with an invitation to write a report assessing the current state of Manitoba's regulated child care system. Since there has been no comprehensive public overview of childcare in Manitoba since 1989, I welcomed the opportunity.

I study and write about historical and contemporary childcare policy. I also participate in public education and childcare advocacy. From 1997 - 1999 I was the Manitoba representative to the Child Care Advocacy Association of Canada, and since 1994 I have been involved in the Child Care Coalition of Manitoba. Through these positions, as well as through my scholarship, my policy support for universally accessible, publicly-funded, high-quality, not-for-profit childcare has been a matter of public record.

This research report is unquestionably influenced by my values, but its substance is evidence about childcare in Manitoba over the past decade. These facts are observable and empirically verifiable, describing real phenomena. The data discussed in this report are matters for public concern and political action.

Acknowledgments

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A Decade of Decline

Regulated Child Care in Manitoba, 1989 - 1999

Summary

In Manitoba, as across Canada (save Quebec and soon BC), childcare is “severely compromised on three fronts:” the availability of spaces to meet the needs of children and their families, the affordability of care and the quality of services provided.¹ It is additionally compromised as children’s care, services and education are fragmented in different policy “silos,” uncoordinated between education, welfare, family and community services, labour and other government departments and between local, provincial and federal jurisdictions. These dysfunctions continue because Manitoba (like most of Canada) treats childcare as a private issue not a public responsibility.

Overall, between 1989 and 1999, Manitoba’s regulated childcare system remained inadequate or declined. Today, there is a licensed childcare space for only one in ten Manitoba children, but this ratio worsens for some age groups and communities who are even more severely under-served. Most care is provided to preschoolers aged 2 - 5 years; all other age groups have less access. Services in rural and northern areas are much less available than in Winnipeg. Aboriginal, francophone and special needs children also have worse access than other

Manitobans. Growth in the number of facilities has been extremely limited; in 1999*, there were just 37 more childcare centres than there were in 1989, and the number of family homes has actually declined since 1992-93.

Childcare fees are high and rising, although most parents cannot afford regulated care. The cost of infant group care has risen 79% since 1988, and fees for other age groups increased at least 21%. It is harder for a low-income parent to qualify for a fee subsidy today than in 1989. Parent eligibility for a “full” subsidy is cut off well below the poverty line. Since 1993, even the poorest parent is usually surcharged up to \$2.40 per day per child, or between 8 and 24% of the daily fee. Childcare has grown more income-stratified over the decade, and today is a more targeted service than in 1989. Despite these problems with access and affordability, the province increased fees in 2000-01, and did not extend eligibility for subsidy, eliminate the punitive \$2.40 per day per child charged to subsidized parents, or introduce a sliding fee scale.

Childcare educators in Manitoba are paid exploitative wages, and the workforce is in crisis. Over the decade,

*Whenever a single year is given, it refers to March 31 of that year; i.e. in the fiscal year ending that year.

real wages have dropped between 9 and 12%, the worst decline in Canada. Poor wages are taking a toll on quality of care: currently at least one in three centres cannot find and keep the minimum numbers of early childhood education-trained staff. The quality of care also suffers because staff turn-over at a rate of nearly 20% annually. The 2000-01 provincial budget included a funding increase designed to begin to ameliorate the wages crisis.

Provincial funding dropped 14% from 1989-1999, and the cut was borne by salaries and programming. Over that same period, the average centre and family daycare home grew between 15 and 25% larger, many centres were forced to lay off trained staff and replace them with untrained staff, and one in two centres recently turned away a special needs child because they couldn't afford the additional costs. Changes in federal/provincial funding exacerbated Manitoba's cuts to childcare, as the province receives less funds under the Canadian Health and Social Transfer (CHST) than under previous funding arrangements. Nevertheless, the first budget of the new NDP govern-

ment announced a welcome 18% funding increase to childcare.

Ten percent of Manitoba childcare centres continue to be commercial operations. Over the decade, this small sector has been disproportionately represented in serious quality breaches and violations, and are at least 500% more likely than non-profit centres to have violated quality minimums. Over the decade, the policy environment has been made more hospitable to commercial care, and for-profit centres now get the majority of their revenue through public funds.

Manitoba entered the decade as a Canadian leader in childcare; we exit the decade having lost that distinction. Manitoba continues to organize childcare as a market service, unlike Quebec and British Columbia, which are developing publicly-funded care for all children. In Manitoba, children's access to early childhood care and education remains stratified by class and other social divisions. Our government has yet to ensure equal access to quality care for all children and families, and fairness for early childhood educators.

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