



**Manitoba Child Care
Association**

Bill 47

The Early Learning and Child Care Act

Presented by:

The Manitoba Child Care Association Inc.
2nd Floor, Royal Bank Building, 2350 McPhillips St.
Winnipeg, MB R2V 4J6
www.mccahouse.org



Introduction

The Manitoba Child Care Association (MCCA) is a not-for-profit, registered charity, established in 1974. We are entirely self-funded and have more than 4000 members including licensed child care centres, licensed Home-based Providers, Early Childhood Educators, Child Care Assistants, Students and Associates. We are the largest provincial child care organization in Canada and an affiliate member of the Canadian Child Care Federation. MCCA is considered the voice of early learning and child care in Manitoba.

The Current System

The province of Manitoba has been a respected leader in Canada for its established, highly regulated and quality licensed early learning and child care (ELCC) system which includes children between the ages of 3 months up to 12 years of age.

There are many strengths that MCCA believes must be protected within the existing system: regulated fees, government subsidy direct to eligible families, a predominant not-for-profit service delivery, qualifications for ECEs, operating grants, pension plan, tuition support for ECE students, research-based regulations and the Child Care in Schools Policy. These initiatives are examples that have allowed our system to be current, innovative and responsive to Manitoba's children and families.

The strength of the ELCC foundation in Manitoba has become apparent throughout the pandemic. A recent report from the Canadian Centre for Policy Alternativesⁱ illustrates the advantage and strength of set child care fees in Provinces, as they are in Manitoba. The report highlighted the impact of COVID-19 on Canada's "precarious child care sector".

Manitobans want and need our government to be a leader in supporting our most vulnerable citizens, young and old.

The Community Child Care Standards Act (CCCS Act), established nearly 40 years ago, enshrines a number of principles that have been used as the foundation to build the existing strong system in Manitoba. MCCA supports efforts to modernize and streamline legislation for innovation and flexibility. However, Bill 47, *The Early Learning and Child Care Act*, sets new parameters and a new tone for regulations to follow for the future. And while the regulations are not yet known, in the absence of some key foundational elements (principles) in the proposed legislation, MCCA is concerned that Manitoba is moving in the wrong direction.

Bill 47 Implications/Recommendations

After a complete review of Bill 47, MCCA has identified a number of concerning implications that could jeopardize the existing system. We are asking the Standing Committee to consider the following recommendations as part of the legislative review:

1. **School-Age Child Care** – Provision of licensing, grant funding, fee subsidy and expansion of care for School-age children, 6-12 years of age, must be included in Bill 47.

Manitoba has been a trailblazer pan-Canadian with regards to its current 13,000 licensed School-age spaces. These regulated programs offer safe, healthy and educational environments to School-age children 260 days a year. All Manitoban families deserve to have access to this continuum of reliable, licensed, community-based services until their child is of the age where it is safe and reasonable for them to experience independence.

In addition, MCCA recommends that the Act includes what types of programs will be under the authority of the Act and subsequently, more defined by regulation and ultimately licensed (this includes: infant/preschool/school-age centres, home-based providers, group child care homes and nursery schools).

2. **Public Funding** – Bill 47 should define that government public funding will only be paid to licensed self-employed home-based providers and not-for-profit corporations and cooperatives. Public funds should not be provided to any for-profit child care centre or for-profit organization and/or any individual or services that is not licensed as cited as an exception, under Section 36(2).

There is longstanding global research that supports the high quality of care in child care programs under a not-for-profit model receiving public supply-side funding. These types of public investments allow government to act as a regulatory body to establish quality targets, guidelines, regulations and regulated fees. In addition, programs are more equipped to attract and retain educated, skilled Early Childhood Educators, and experience less staff turnover. If we look across Canada, there is considerable evidence from other provinces demonstrating that fees charged by private, for-profit child care operators are substantially higher than the regulated fees in the not-for-profit sector.

It is critical that a maximum daily fee for not-for-profit licensed early learning and child care services is included in the Act. This will help to ensure there is some equity among programs regardless of where they are located and the revenue they can generate and diminish the risk of developing a two-tiered system. Accessibility and affordability must be a choice for all Manitoban families.

MCCA hopes that the lessons learned from the tragedies experienced in many of the private profit-making personal care homes over the past year will not be forgotten as the government looks to expand and reform the ELCC system. Protecting the most vulnerable among us, both our younger and older generations, should be of paramount importance.

There have been numerous studies comparing the quality and sustainability of care in publicly funded not-for-profit child care versus private systems. These should be reviewed carefully before any changes are implemented to the current funding

system. If anything, our province should increase public supply side funding to not-for-profit centres to build a system, similar to education or health care. There is no room for profit making when facilities are allocating 80-85% of their budget to staff salaries and benefits.

3. **Early Childhood Education (ECE) training** – The CCCS Act includes “Qualifications of staff of child care centres and classification”. Bill 47 has replaced the wording with “employees who are certified”.

Although this training may be promised in regulation, MCCA believes that it should be stated in the Act. Specifically, Bill 47 should prominently include a commitment to strong post-secondary training requirements for ECEs working directly with children. Only educated ECEs that have completed a minimum two-year post secondary diploma (or accreditation through the CBA/PLA program) should be included in the proportion of trained staff. Anything less, will weaken our established system. Nearly 30% of licensed facilities are already citing provisional licenses for not meeting the regulated proportion of trained staff.

Countries with high educational requirements for ECEs, do not need to rely on regulations for compliance. Instead, the ECE education guides them in the provision of best practices in the care and education of young children. An educated ECE II or III has a higher likelihood of remaining in the sector than an individual who has less than that.ⁱⁱ

All evidence demonstrates that quality stems from an educated and well remunerated workforce. This must be a priority among any reform.

4. **Financial Assistance to Parents** – Under Section 36(1), “...eligible parents may directly receive financial assistance to assist them in obtaining early learning and

child care.” Under the CCCS Act, Section 36(2), refers to “the payment of subsidies to or on behalf of parents or guardians requiring child care provided in a facility.”

Subsidy rates have remained the same since 2013 resulting in less families being eligible for subsidized care. The indexing of fee subsidy rates assists more low-income families’ ability to secure and afford quality, licensed care.

Providing tax credits or vouchers directly to families for child care services, that may not be available, accountable, accessible or reliable, will be ineffective to build an affordable, quality system. Nor will it regulate child care fees. In fact, demand side funding would likely perpetuate unaffordability and inconsistency for families.

5. **Child Care Worker Retirement Benefits Regulation** – The Government of Manitoba introduced the Registered Pension Plan and Retirement Supports for Manitoba’s Early Learning and Child Care Workforce in 2010. Supports include a matching contribution to a registered pension plan for full and part time staff in licensed, non-profit centres and nursery schools and a matching Registered Retirement Savings Plan (RRSP) for licensed, home-based family and group child care providers.

This regulation is a separate regulation under the CCCS Act. MCCA wants its recommendation noted that this regulation be protected under Bill 47. Other than Quebec, no other jurisdiction in Canada can boast this type of progressive and unique support to their Early Learning and Child Care Workforce. It is integral to maintain this benefit to ensure an existing workforce for the future of any system.

6. **Parent Involvement** – Bill 47 is unclear on the role of the Board of Directors/Parent Advisory. Section 67(1) refers only to “parental involvement and access”. The CCCS Act states that there is a “requirement for parental involvement” and specifically mentions a link between grants and parental involvement.

Regarding governance, individual volunteer parent boards for each centre may not be the most efficient way to develop or manage programs. MCCA has developed and is continuing to expand on its numerous resources to support governance training. As the Province of Manitoba moves forward with any type of reform to the current governance structure, MCCA believes that stakeholders such as the association need to be consulted. The consideration of any governance shift must be thoroughly explored and researched to ensure it is supportive and effective to the sector.

7. **Parent Fees** – the Province of Manitoba has announced the freezing of child care fees for an additional three years. MCCA believes affordability is important to families, particularly as we continue to navigate through uncertain times.

However, this will result in 11 years of frozen fees. These are the same fees that account for 60% of the revenue for a licensed not-for-profit facility, which is the predominant model in Manitoba's existing sector. Since 2013, nearly all other operating expenses have increased, some as high as 60%ⁱⁱⁱ. In addition to the operating grants being frozen since 2016, this is resulting in the existing sector being effectively starved.

From the just released KPMG report *Early Learning and Child Care Transformation*, commissioned by the Manitoba Department of Families, "More than a quarter of centre-based providers are operating at a deficit. Workforce shortages, together with a large number of qualified staff working in other industries, suggest that the pay offered in the Manitoba's child care sector are not sufficient to attract and retain a sustainable workforce. Providers operating at a deficit, despite growing operating grant expenditures, are unlikely to be in a position to improve staff pay; nor are they likely to be able to innovate to offer new services that might attract new parents into the system or enhance current offerings."^{iv}

In light of the Province's direction to freeze child care fees, the only alternative is to increase the supply side operating funding to protect the financial viability of existing programs.

Conclusion

In the March 2021 Probe Research Omnibus Survey, 82% of respondents agreed that a well-funded child care system is critical to the province's recovery. Additional data found that nearly 80% of Manitobans broadly support increasing funding for child care centres to boost staff wages. The respondents included Winnipeggers, women, younger Manitobans, university graduates as well as 75% of Rural Manitobans. Clearly, there is resounding support, to protecting the existing early learning and child care system in Manitoba.

We know that Covid-19 has had a disproportionate effect on women in Manitoba. It is clear to see why Canadian Economist Armine Yalnizyan, has repeatedly communicated, "there will be no economic recovery without she-coveyry, no she-coveyry without child care".

Advocates like MCCA, are hopeful that we are on the precipice of a national child care system. As our federal government moves towards building a universal, affordable, quality system, we anticipate that Manitoba will align with this monumental shift.

MCCA supports efforts to enhance and modernize child care legislation in our province. There is room for flexibility and choices, however, the existing system must not be abandoned.

ⁱ Canadian Centre for Policy Alternatives. [Sounding the Alarm: COVID-19's impact on Canada's precarious child care sector](#)

ⁱⁱ Doan, 2016

ⁱⁱⁱ Source: Statistics Canada <https://www150.statcan.gc.ca/t1/tb11/en/tv.action?pid=1810000413>

^{iv} https://manitoba.ca/asset_library/en/proactive/20212022/mb-families-elcc-review.pdf