



**Manitoba Child Care
Association**

**Manitoba Pre-Budget 2020 Submission
Manitoba Child Care Association
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The Manitoba Child Care Association (MCCA) is a voluntary professional association, not for profit, registered charity working since 1974 to promote quality child care as a service and as a profession. We are the largest provincial child care association in Canada, and entirely self-funded through membership dues and professional development events. Our 4000+ members include those who provide care and education in licensed homes and child care centres, and they keep us informed of needs, priorities, and challenges providing care, early learning, and family support in their community.

MCCA's Vision - To promote and support an exceptional early learning and child care system by fueling our members to be proud and excited to belong to a progressive, respected profession.

MCCA's Mission - To advocate for a quality system of child care, to advance early learning and child care education as a profession, and provide services to our members.

The Manitoba Child Care Association's 2020 pre-budget recommendations to the Province of Manitoba are straightforward:

Provide adequate funding for a high quality early learning and child care system.

Early learning and child care service providers rely on the Government of Manitoba to ensure the funding formula, whether through federal transfers, parent fees or provincial grants will sufficiently meet the expenses associated with operating quality early learning environments for Manitoba's children.

A truly supportive investment into child care will balance accessibility, affordability and quality, which at the core, is the workforce.

Accessibility

In the 21st century, child care is an essential public service for families. The workforce participation of mothers has continued to increase in Manitoba, now reaching:

- 66.5% of mothers with children 0-2 years of age
- 75.1% of mothers with children between 3-5 years of age
- 83.7% of mothers with children 6-15 years old ⁱ

In total, there are 116,400 children (0-12 years) with employed mothers in Manitoba (2016 rounded estimate) and only 37,459 licensed spaces (March 2019). As of June 30, 2018, there were 16,605 unique children on Manitoba's Online Child Care Registry waiting list, including 1016 children not yet born. ⁱⁱ

The Province has launched its Manitoba Works Plan to create 40,000 new job opportunities over the next four years. The availability of quality licensed child care is essential to support this plan and Manitoba's children, families, women, employers, communities and the economy. Economic growth correlates directly with child care. For every \$1 spent on early childhood education programs, almost \$6.00 in economic benefits will be realized over time. ⁱⁱⁱ

Affordability

Child care fees throughout most of Canada are too expensive for most families, generally costing parents more per year than university tuitions, keeping in mind that families have 18 years to save for post-secondary education. ^{iv}

Manitoba has the 2nd lowest child care fees in Canada. The province in "3rd place" has fees that are nearly 30% higher than Manitoba's. ^v And while remarkable, it is essential to note the parent fees have not increased since 2013. Over the past 19 years, they have increased by only \$2.00. This is approximately .10¢ per year. Parent fees contribute 58% of a centre's annual revenue. The subsidy levels have also not been indexed in over seven years. Only 17% of all licensed spaces are currently eligible for subsidy. Equitable child care fees are essential so that all Manitoba families are able to afford child care.

Quality

Funding must also support the competitive wages and benefits required to attract and retain a skilled workforce to preserve the viability of the sector.

As operating costs increase annually, funding must also increase, at minimum, at the rate of inflation to include all standard operating expenses. With no increase to operating revenue in over four years, existing licensed not for profit early learning and child care programs are struggling to balance their operating budgets. To offset deficits, centres have frozen staff salaries and reduced program expenses.

According to the 2016 MCCA/Probe Research Survey, the average salary of an ECE with 12 years' experience is 25% below the Market Competitive Salary Guideline Scale (which is indexed and released annually). And this disparity continues to grow. The increasing shortage of trained ECEs is becoming more and more evident. There has been a 23% reduction of graduates over the past four years. This is putting additional strain on the current workforce. Manitoba's reputation as a leader in early learning & child care will be compromised as the programs continue to experience exceeding financial pressures.

MCCA is supportive of the Province's recent announcements of the Minister's Consultation Table and the Early Learning and Child Care Program Funding Model Review being conducted by KMPG. These two initiatives will, ideally, propel Manitoba into supporting the existing licensed early learning and child care programs while addressing the persistent challenges of accessibility, affordability and quality.

The current funding model, established in 2000, was based on estimated typical operating expenses at that time and is antiquated. Programs have continued to incur additional operating costs that did not exist 19 years ago.

We are encouraged that KMPG will engage with key internal and external stakeholders, as part of the funding model review. By exploring options to improve the funding, we anticipate that their recommendations will focus on: providing stable funding reflective of current operating costs (including market competitive wages), addressing the expense inconsistencies between programs, ensuring equitable child care fees for all Manitobans and promoting a system that does not rely on volunteers to fundraise in order to remain viable or to simply meet budget. ^{vi}

As Manitoba enters its 3rd year of the Canada-Manitoba Early Learning and Child Care Agreement, MCCA looks forward to working with our government on Manitoba's Action Plan. The previously cited, Minister's Consultation Table is only one of the innovative initiatives that Manitoba has introduced to support children and families throughout the province. Recommendations for investment of future federal funds include:

- ensure parent fees remain equitable to all families by indexing subsidy levels
- ensure licensed child care facilities have the resources they need to provide full accessibility for children with additional support needs
- develop of a sustainable workforce strategy

Over 26,000 Manitobans signed a general petition in 2019 to increase funding for not for profit child care programs. These 26,000 citizens believe and support investing in quality, licensed early learning and child care.

The benefits are irrefutable – lifelong developmental benefits for children including higher academic and social outcomes, more parents accessing education and employment opportunities, key poverty reduction strategy and economic growth. Our government has been fiscally responsible in addressing the deficit and we applaud them for this; however, all children and families in Manitoba deserve a quality, not-for-profit, affordable, accessible system - please make early learning and child care a priority in the 2020 provincial budget.

ⁱ Early Childhood Education and Care in Canada, Child Care Resource and Research Unit 2016, rev. 2018

ⁱⁱ Manitoba Early Learning & Child Care Online Child Care Registry

ⁱⁱⁱ The Conference Board of Canada, October 2017

^{iv} Canadian Child Care Federation, December 2019

^v Developmental Milestones, Child care fees in Canada's big cities 2018. David Macdonald, Martha Friendly

^{vi} Manitoba Early Learning and Child Care Commission Report, 2016. K. Flanagan, J. Beach