



The Manitoba Child Care Association

The Manitoba Child Care Association (MCCA) is a non-profit, membership funded organization established in 1974. Our mission is to advocate for a quality system of child care, to advance early childhood education as a profession, and to provide services to our members. We are the voluntary professional association for the childcare workforce in Manitoba.

Our 4000+ members share the goal of providing high quality early learning programs in safe, nurturing, and stimulating environments that foster child development and include support to families.

MCCA is an active partner in the development of early learning and child care services in Manitoba. We believe ongoing communication and dialogue are important to help the Government of Manitoba meet their goals, set priorities, plan for the future and make decisions. We are confident that the information we provide will support policy makers in strengthening the programs and initiatives already in place and set a strong foundation for the future.

There has been progress in Manitoba's Early Learning & Child Care Sector, but there is much more work to be done. The policy recommendations from MCCA, as the recognized voice of the child care community in Manitoba, must be considered when planning.

Reliable Early Learning & Child Care is essential in Manitoba.

2019-2020 Early Learning & Child Care Recommendations

MCCA's 2019-2020 Recommendations for 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 of quality learning environments for children. In addition, this funding, will support competitive wages and benefits to attract and retain a skilled workforce to meet legislated training requirements.

The current unit 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.

Specifically:

- Operating costs increase annually. Funding must also increase annually, at minimum, at the rate of inflation, to include all standard operating expenses - market competitive compensation, employer portion of benefits, children's program, variable expenses such as rent, utilities, administration costs, special circumstance expenses and the cost of all government mandated requirements such as new legislation, quality enhancements or minimum wage increases. Licensed not for profit centres have seen no operating increase in nearly four years; a retroactive increase would be required to ensure funding is commensurate with the current market.
- Ensure funding will support the current market competitive wages required to attract and retain a skilled child care workforce.
- Require all not for profit programs that receive the operating grant to charge the maximum daily fee established by government, thereby removing from parent boards the authority to set the rates they will pay at their centre.
- As part of the imminent early learning and child care funding model review, consult with direct service providers, undertake a study of options for a modernized funding model, that provides stable funding reflective of actual current operating costs, address expense inconsistencies between programs and ensure a system that does not rely on volunteers to fundraise in order to remain viable or to simply meet budget.¹



EARLY CHILDHOOD EDUCATION REPORT BENCHMARKS OF QUALITY

1. Integrated Governance
2. Funding
3. Access
4. Learning Environment
5. Accountability

Early Childhood Education Report, 2017, Atkinson
Centre for Society and Child Development

¹ Manitoba Early Learning and Child Care Commission Report, 2016, K. Flanagan, J. Beach

WHAT IS ADEQUATE FUNDING?

Preschool Unit Funding needed for MCSGS 2018-2019 for Level 3 staff

ECE II/III (level 3 of scale): $\$22.33 \times 8 = \178.64 per day + 20% benefits = **$\$214.37/\text{day}$**

CCA* (level 3 of scale): $\$14.59 \times 2.5 = \36.48 per day + 20% for benefits = **$\$43.78/\text{day}$**

(*Needed 2.5 hours per day to cover lunch, breaks, and additional hour (children in care typically 9 hours per day))

Director** (level 3, 51-100 spaces): $\$36.84 \times 1$ hour + 20% benefits = **$\$44.21/\text{day}$**

(**a portion of the Director's daily wage must be paid out of each unit)

Core staff costs per unit: ECE, CCA, Director: **$\$302.36/\text{day}$** (NIC subs for sick time, vacation)

In order to spend 85% of total revenue on core staff, the unit must be **$\$356/\text{day}$** .

Current preschool unit:

Parent Fees: $(\$20.80 \times 8 \text{ children}) = \166.40 + **Operating grant** $(\$16.07 \times 8) = \$128.56 = \$294.96/\text{day}$

Increase needed to preschool operating grant to achieve a unit funding of **$\$356$** :

Parent Fees $(\$20.80 \times 8) = \166.40 + Operating grant $(\$23.63 \times 8) = \$189 = \$356/\text{day}$

The operating grant would require a **47% increase** to achieve unit funding of $\$356/\text{day} - \$4180/\text{year} \rightarrow \$6145/\text{year}$

...which would cost government

$(\$7.55 \text{ per day} \times 24,805 \text{ preschool spaces} \times 260 \text{ days} = \$48.7\text{M additional investment})$

OR

Increase needed to preschool parent fee to achieve a unit funding of **$\$356/\text{day}$** :

Parent Fees would need to **increase by 36%** from $\$20.80 \rightarrow \28.43 .

Operating grant $(\$16.07 \times 8) = \128.56 + Parent Fees $(\$28.43 \times 8) = \$227.44 = \$356/\text{day}$

Parent fees account for 58% of centre's revenue and operating grants account for 42% of total revenue, thus the variance between proposed increases. Centres would need an aggregate overall increase of 21% to the unit funding.