

# In spite of \$10/day child-care promise, Manitoba fees 'have not changed by 1 cent': advocate <sup>[1]</sup>

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## AVAILABILITY

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More than a year after the province signed an agreement with the federal government to reduce child-care fees, advocates say costs in Manitoba have not budged.

The province promised a 50 per cent reduction in child care fees for the average parent by the end of the year under the Canada-Manitoba Canada-wide Early Learning and Child Care Agreement, which Manitoba signed onto in August 2021.

The deal would also see all regulated child-care spaces in the province reach an average cost of \$10 per day by March 2026.

But since the agreement was signed, "our child-care fees have not changed by one cent," said Susan Prentice, a sociology professor at the University of Manitoba and member of the Child Care Coalition of Manitoba, at a Wednesday news conference.

Costs for child-care spots in Manitoba are currently \$30 a day for infants and \$20.08 for toddlers, she said. Those prices are the same for all families.

Last February, Manitoba Premier Heather Stefanson and Prime Minister Justin Trudeau announced the province was increasing the net household income threshold for its child care subsidy program by 45 per cent, making more families eligible.

Out-of-pocket fees for subsidized families range from \$2 a day up to a maximum regulated rate, according to the province.

But Prentice says the subsidy is not equal to a 50 per cent decrease in fees — which Trudeau has said is the goal of the federal-provincial agreement.

"Manitoba's approach may narrowly meet the letter of the national agreement, but it certainly does not meet the spirit," she said.

Manitoba is the only jurisdiction to exclusively rely on a subsidy to reduce child-care costs under the federal-provincial agreement, Prentice said.

The Child Care Coalition of Manitoba is pushing the province to act on its promise and lower the maximum set fee of child-care spots to \$10 a day.

The coalition also says families below the poverty line should pay nothing for child care, with higher-income families fees paying more on a sliding scale.

## 'Manitoba families deserve better'

The province's subsidy funds are paid directly to child-care facilities on behalf of families.

Under the current system, a single parent with one child must earn a net income below \$37,542, and a two-parent household with two children must below \$82,877, to receive the subsidy.

But the chair of the Fort Rouge Child Care Centre says it's had \$200,000 sitting in its bank account for over a year, because most families did not apply for the subsidy.

Lori Isber says she was told the money could only be disbursed to those who did.

"We wanted to give [the money] to parents but we just couldn't," Isber said at Wednesday's news conference.

"It is the same story for every child-care centre across Manitoba."

She spoke to families who did not apply for the subsidy because they didn't know when, where, how or why to apply, Isber said, blaming inadequate messaging from the province.

Other families thought they wouldn't qualify, so didn't apply, and some who did experienced technical difficulties with the website, she said.

Prentice says the subsidy model is intrusive, as it asks parents for extensive details about their personal lives, such as whether they are a co-parent and when their child is in school.

Parents who receive a fee subsidy are also always at risk of losing it, she said.

As well, the model creates red tape for child-care providers, who are required to report on children's attendance, said Prentice.

Isber said the province is still telling her child-care centre to get people to apply, and centres have been told that the money needs to be out of the door by December or January.

Some parents have said centres have resorted to paying the full price of everyone's child-care fees for a few weeks, even a few months, in order to spend the subsidy money on time.

"Manitoba families deserve better than what they got, or what they did not get, from the Stefanson government this past year," Isber said.

### 'Sleight of hand' approach

In an email to CBC, a provincial spokesperson said the 45 per cent increase to the subsidy threshold was the first step of its approach to reducing child-care costs for parents.

With the one-year anniversary of the threshold increase coming up, the province says it is reviewing the impact it had on average daily fees and will use that information to decide on next steps.

The province is now "better positioned" to reach an average fee of \$10 per day before the target date of March 2026, the spokesperson wrote.

Education and Early Childhood Learning Minister Wayne Ewasko said he's heard the concerns of parents, but doesn't regret the subsidy model.

"We made the decision at the time to reduce child-care fees to those families that we felt needed it most, those low- and middle-income families," he told reporters at the Manitoba Legislature on Wednesday.

"Knowing now that we've got a bit of a surplus within the centres, I think that's where we're targeting, and making sure that they're using those dollars for what it was expected to be used for — and that was to lower child-care fees."

Ewasko's department sent out a letter to centres earlier this fall, which suggested options for spending the remaining funds, including waiving fees for a specified time, dispensing money as a credit on families' accounts, or providing the subsidy advance to all families who have yet to receive it.

But Prentice called Manitoba's subsidy approach a "square peg in a round hole," and says the province is deceiving the public when it comes to cutting costs for child-care spaces.

"I would say it's sleight of hand to claim that reducing some parents' out of pocket costs, and averaging this over all parents, is somehow the same as a straightforward price reduction," said Prentice.

"Overall, this restrictive subsidy model is actually more expensive to monitor and maintain than a simple, lower set fee," she said.

"I can't see how Ottawa would let this stand."

**Region:** Manitoba <sup>[3]</sup>

**Tags:** CWELCC <sup>[4]</sup>

fee reduction <sup>[5]</sup>

policy <sup>[6]</sup>

subsidy <sup>[7]</sup>

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