



Dougald Lamont
MLA St. Boniface / Député Saint-Boniface
Leader of the Manitoba Liberal Party / Chef du parti Libéral du Manitoba
Manitoba Liberal Caucus 169-450 Broadway Ave R3C 0V8

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Dear Premier Pallister and Minister Stefanson,

We are writing you on an urgent matter related to your policies on Early Learning and Child Care.

Many child care centres and workers are facing extreme financial hardship and possibly bankruptcy because of the policies that have been rolled out to date.

The current policy of the government has been to issue orders that effectively deprives organizations of their revenue, while offering no replacement. This is not sustainable: the current arrangement means that a service that is being designated as essential during the pandemic is not being funded adequately.

The situation has centres between a rock and a hard place. We have received complaints from for-profit centres, not-for-profit centres as well as parents.

The Government's Policies to date are putting many centres at risk of immediate insolvency.

There are three sources of revenue: operating grants, parent fees and fundraising. Most centres are losing both parent fees and fundraising while still having to maintain overhead.

While it is entirely appropriate for parents to be refunded, it leaves centres in the lurch. Centres who have fixed costs or rent, insurance, utilities, and Workers' Compensation whether the centre is operating or not.

Centres have been mandated to only have 16 children, which limits both physical capacity as well as revenue. They have also been ordered to provide care for essential workers, which they have agreed to do – but it is not financially possible.

As one advocate explained, her centre will lose \$168/week offering Essential Service Workers Care. If she closes her doors entirely, she will still lose funds. Either way, she loses money. She has no access to a surplus or reserve, because not-for-profits are not allowed to carry over surpluses or save up for a rainy day.

I also spoke to a private child care centre operator who is facing not just the loss of her business, but her ability to pay her mortgage. She is not able to access the \$3,000 grants being offered by the Winnipeg Foundation. She cannot be reasonably expected to start a child care in her home while carrying the costs of a child care centre.

This is being done with the expectation that child care centres will be able to operate with extraordinary heightened demands on cleaning, sterilization and social distancing, which adds enormously to both work and costs. For child care workers and centres dedicated to looking after the children of essential personnel, those essential workers and their children may be more likely to come in contact with Covid-19.

It is absolutely critical that the Manitoba Government act immediately, to ensure clarity and just compensation for workers who are being mandated to work in a pandemic. It is also critical that

business supports are in place to ensure that child care centres can bounce back when the pandemic shutdown lifts. If the businesses and the people who run them are insolvent, they will not be able to do so.

What we would like to see:

- The Provincial Government should step up to cover the overhead of centres that are closed, whether they are public or private, so long as the pandemic shutdown is in place. That includes taxes, insurance, and overhead.
- For centres where the children of essential workers are being cared for, the parent fees should be paid by the government.
- Enhanced pay for workers in centres caring for children of essential workers to reflect their extra duties and the work required to maintain cleanliness.
- Additional resources and additional training so that child care centres can offer safe and healthy pandemic child care services, at no cost to the actual centres. This should include hand sanitizer, gloves, masks and any other materials required to keep children, workers and workplaces clean.
- The Province and Public Health must provide clear guidance on best practices. The Best Practices Manual for Early Childhood Education has not been updated since 2006 and it has no pandemic preparedness.

We recognize that the health and economic challenges of the pandemic are serious.

We cannot ask ECE centres and workers to shoulder the financial burden of this crisis while also demanding that they stay open so our health care and other systems can function.

As one Director of a child care centre put it, Manitoba will face the loss of the entire ECE sector if financing is not in place to carry it through the epidemic. As another put it, they are being considered as an essential service and not being funded.

This is a matter that is becoming critical. The people working in this sector have faced four weeks of confusion and uncertainty. This requires not just an immediate answer, but immediate action. Please put the above measures in place.

Yours,



Dougald Lamont, MLA St. Boniface