Municipal governments had taken the lead in building the Preventive Social Service (PSS) system of day cares in Alberta in the late 1960s and 1970s. As a consequence, many municipal bureaucrats and politicians strongly opposed the provincial government's unilateral decision, announced in 1978 and fully implemented in 1981, to end all dedicated provincial funding for the PSS day cares. In the early 1980s, five of Alberta's six largest cities showed their disdain for the provincial government's policies on preschool child care by defiantly stepping in to support "lighthouse" or model programs in their communities.¹ Their actions helped to ensure that the values and practice of the PSS program lived on at the same time that custodial commercial day care became the norm in Alberta. During the 1980s, federal funding sustained the different approaches taken by Alberta's largest municipalities to support quality care for both preschoolers and school-aged children. It set the stage for the 1990s, when each of the five municipalities that had championed lighthouse child care for preschoolers in the 1980s ended or substantially restricted its commitments. At the provincial level, the reversal was the product of the relative weakness of the movement for quality child care in the 1990s as well as the shift to the Right in Alberta politics. Simultaneously, important local factors in each of the cities affected the timing, basis, and final shape of the decision to end support for model child care programs. I comparatively investigate these local factors.

FIVE CITIES SUSTAIN MODEL CHILD CARE IN THE 1980S

At the same time that municipalities grappled with sustaining model child care for preschoolers without provincial cost sharing, they were faced with deciding
on how much to emphasize the development of out-of-school care (OOSC) in their communities. However, it was only in Edmonton and Calgary that the two priorities clashed in a significant way. The demand for OOSC was not particularly strong in Grande Prairie, Red Deer, and Medicine Hat, and Lethbridge decided, soon after the inauguration of the new provincial day care system, not to use any municipal tax revenue to support preschool child care. In contrast, a strong commitment to model day care in Edmonton and Calgary co-existed with not only a strong demand for OOSC but also a history of municipal funding for dedicated OOSC centres.

Minister Bob Bogle acted in great haste in 1980 when he ended municipal participation in the provincial day care system. As a result, the provincial government inherited responsibility for OOSC programs on 1 August 1980 even though it did not have a plan in place for what to do with them. The plan soon became to give the OOSC programs back to municipalities as quickly as possible. When the minister announced the new operating allowance program for day cares on 4 September 1980, he also announced the “reassignment of after school programs, with appropriate financial support, to Preventive Social Services.” The problem with this plan, however, was that it was up to the discretion of each municipality whether or not to sponsor any PSS program, including OOSC. Therefore, whether a municipality accepted this reassignment from the minister was subject to negotiation between the two levels of government, and in the meantime, the province was left administering a program it had not wanted to administer in the first place. Ironically, Minister Bogle acted in haste because he was sick and tired of negotiating with Edmonton over day care policy and funding (see chapter 5) but his decision guaranteed many more months of negotiations with Edmonton and Calgary over the future of their OOSC programs.

Edmonton: Large Investments in OOSC and Support for Model Day Cares

When the provincial government assumed full responsibility for day care subsidies on 1 August 1980, municipalities saved money since they no longer had to cover 20 percent of the cost of the subsidies. In the case of Edmonton, the province estimated the annual net savings to be $391,000. On 14 May 1980, Edmonton City Council reaffirmed its “commitment to preserve community day care services for children and families in the municipality.” However, the savings were not enough to maintain all aspects of the city’s extensive program, and, as
a result, Edmonton accepted the province’s offer to assume responsibility for the municipally run family day home (FDH) program on 1 August. Nevertheless, the savings were such that Edmonton made a substantial investment in model day cares. In 1981, $741,000 was allocated to twelve of the old PSS centres, now known as “municipally approved day care centres.” Furthermore, an amount in excess of $300,000 was spent on subsidizing care through the city-run Glengarry Day Care and FDH project.

The city’s willingness to spend so much on lighthouse day care at this juncture partially reflected a desire “to put its money where its mouth was” in its political disagreement with the Lougheed government over the direction of day care in Alberta. However, it also reflected a significant political miscalculation: the city expected Minister Bogle to honour his previous commitment to phase out deficit funding for the old PSS day cares over a number of years. While the municipal government did receive a phase-out payment of $420,000 from the province on 1 August 1980, a payment of $328,000 that should have been made on 1 August 1981 never arrived. It was not until 4 March 1982 that the city learned the minister had unilaterally discontinued deficit phase-out payments from the time operating allowances were introduced in September 1980.

The intrigue over when to phase out deficit payments for the old PSS day cares in Edmonton occurred in the context of yet another significant intergovernmental dispute—the future of OOSC programs. The sticking point in the transfer of the programs back to Edmonton and Calgary was funding. While the provincial PSS budget had been increased by $1.4 million in 1980 to accommodate the return of OOSC programs to PSS, this extra money would have not have covered the projected cost of OOSC in Calgary, let alone in both major cities. It is therefore not a surprise that neither Calgary nor Edmonton accepted the province’s initial funding offer. The provincial government was negotiating from the position that OOSC in 1980–81 should cost $100 per month, with a low-income family being required to cover $40. However, the actual cost was $175 per month or more. By the end of the 1980–81 school year, the future of OOSC in Alberta’s two major cities was as much up in the air as it had been at the beginning of the year, with neither city having agreed to include OOSC in their roster of cost-shared Family and Community Support Services (FCSS) programs. (FCSS officially replaced PSS on 2 June 1981.)

Behind the scenes, however, Minister Bogle was working on a dramatic reorganization of OOSC that would have ended, once and for all, formal municipal involvement in child care. In a policy initiative that was apparently never revealed
to municipal governments, in June 1981 the department of Social Services and Community Health formally proposed to cabinet that the responsibility for OOSC be transferred to school boards. The proposal projected a cost per child at “less than one-third of existing program cost per child.” The Request for Decision (RFD) on the proposal was submitted to the Executive Council office and treasury on 12 June 1981. It predicted possible opposition from school boards, municipalities, teachers, school janitorial staff, parents, and the general public. The possibility of this level of controversy must have concerned senior bureaucrats and politicians since the RFD was withdrawn by Minister Bogle before it was discussed at the Social Planning Committee of cabinet. Instead, the committee decided to add $570,000 to the FCSS budget (over and above the $1.4 million already committed) in order to give the minister a fighting chance of convincing Calgary and Edmonton to take over responsibility for OOSC. Interestingly, the inner circle of the Lougheed government was only interested in a short-term political solution to this problem and made it clear that it did not have a long-term commitment to expanding the availability of subsidized OOSC for Alberta’s children. When he informed Minister Bogle of the $570,000 increase in the FCSS budget, the deputy minister to Executive Council stated, “Provincial government support is not to be increased to cover subsidies for new applicants to the program beyond 1981/82.”

Bob Bogle used this extra money to convince both Calgary and Edmonton to assume responsibility for OOSC starting in September 1981. Calgary was offered $800,000 to cover $120-per-month subsidies for 675 children over the course of the 1981–82 school year. It reluctantly accepted the offer even though it meant that the city would have to spend $300,000 of its own tax dollars on OOSC programs. Under the terms of its deal with the province, Edmonton projected having to spend over $1 million of its own tax revenue on OOSC in 1982–83.

Consequently, during the first part of the 1981–82 school year, it appeared that OOSC programs would soon prove to be an unbearable financial burden for Calgary and Edmonton. It was at this point that the federal government came to the rescue. In a letter to Edmonton Alderman Jan Reimer, federal Health Minister Monique Begin indicated that the federal government was prepared to split the cost of municipal spending on subsidized not-for-profit day care and OOSC on a 50-50 basis, with the Alberta government’s only role being to submit the claims. This was the genesis of an innovative political arrangement known as flow-through funding that would help Alberta municipalities in the 1980s to expand their OOSC programs and carry on with lighthouse day cares and FDH programs.
As mentioned in chapter 7, in early 1982 the Alberta government had finally gotten around to making Canada Assistance Plan (CAP) claims for eligible expenditures on child care between 1979 and 1981. In so doing, however, it had only asked for cost sharing on its own expenditures and any municipal expenditures that fit the terms of the PSS or FCSS programs. Therefore, no claims were made for discretionary municipal expenditures on OOSC or day care. Grant Notley, leader of Alberta’s New Democratic Party (NDP), effectively criticized the government for this oversight. When the matter was first raised, Bob Bogle attempted to deflect the criticism by saying that “the real issue is that after-school care in Edmonton is unnecessarily expensive.” Within a week, however, he was taking the matter very seriously and promised that if lawyers ruled that flow-through funding did not contravene provincial law, “we will take advantage of it.”

Alberta’s municipalities had to wait until 1983 before the province finally allowed them to make flow-through CAP claims for their own independent expenditures on not-for-profit child care. In September 1983, they learned that their claims for expenditures incurred between 1980 and 1982 had been approved by the federal government. The amount of money involved was significant: for example, Edmonton received $1.2 million; Calgary, $480,000; and Medicine Hat, $378,000. It is important to recognize that although the dispute over inadequate provincial funding for OOSC programs had prompted the flow-through arrangement, municipal expenditures on lighthouse day cares and FDH projects were also eligible for CAP cost sharing.

The receipt of a $1.2 million windfall from CAP in late 1983, plus the promise of additional CAP transfers every year, did not lead to Edmonton looking at expanding its support for model day cares. This is partly because close to half of the windfall had to be used to cover the shortfall caused by the province’s early termination of deficit phase-out payments for PSS day cares. Furthermore, the economic recession caused by the fall in oil prices in 1982 had greatly reduced Alberta’s royalty revenue and caused the province to limit transfers to municipalities at a time of high inflation. Most importantly, however, the demand for subsidized OOSC was growing rapidly; this raised the question of whether Edmonton should reallocate some or all of its spending on model day cares to expanding the availability of OOSC subsidies for the school-aged children of working families.

Between 1981 and 1984, the number of “full-year equivalent” OOSC subsidies in Edmonton grew from 400 to 1,134, and annual spending on OOSC increased four-fold to $2.7 million (table 8.1). The provincial FCSS grant to Edmonton did not keep pace with this growth. (Indeed, in real terms, the grant decreased...
between 1982 and 1990.) During these years, the city continued to fund the deficits of its original PSS out-of-school care centres but also subsidized the care of low-income children in any other licensed centre. As a consequence, in 1984 more than half of subsidized children were enrolled in commercial centres. This created an additional financial headache since any city spending on subsidies in commercial centres was ineligible for CAP cost sharing.12

The growth in demand for OOSC in Edmonton in the early 1980s was a direct consequence of the rapid expansion of day care during those same years. As is recorded in table 5.1, there were 135 licensed day cares in Edmonton at the beginning of 1982 with a licensed capacity of 5,611. Stimulated by operating allowances, the number of licensed spaces in Edmonton’s day cares grew rapidly to 12,127 by July 1986 (an increase of 116 percent in four and a half years); at that point, 29 percent of the licensed capacity was filled by subsidized children. Parents who had placed their children in a day care centre often looked for an OOSC centre when their children went to school, and, as a consequence, the number of licensed OOSC centres in Edmonton also grew very rapidly in the early 1980s: from twenty-two in 1981 to ninety-seven in 1983 and 122 in 1986

### Table 8.1 Out-of-School Care in Edmonton, 1981 to 1991

<table>
<thead>
<tr>
<th>Year</th>
<th>Licensed centres</th>
<th>Not-for-profit centres</th>
<th>Subsidized children *</th>
<th>Total cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>22</td>
<td>22 (100%)</td>
<td>400</td>
<td>$0.6 M b</td>
</tr>
<tr>
<td>1982</td>
<td>64</td>
<td>611</td>
<td></td>
<td>$1.5 M</td>
</tr>
<tr>
<td>1983</td>
<td>97</td>
<td>900</td>
<td>1,134</td>
<td>$1.9 M</td>
</tr>
<tr>
<td>1984</td>
<td>93</td>
<td>1,134</td>
<td>1,356</td>
<td>$2.7 M</td>
</tr>
<tr>
<td>1985</td>
<td>106</td>
<td>26 (25%)</td>
<td>1,356</td>
<td>$3.3 M</td>
</tr>
<tr>
<td>1986</td>
<td>122</td>
<td>1,618</td>
<td></td>
<td>$3.7 M</td>
</tr>
<tr>
<td>1987</td>
<td>128</td>
<td>1,854</td>
<td></td>
<td>$4.4 M</td>
</tr>
<tr>
<td>1988</td>
<td></td>
<td>2,011</td>
<td></td>
<td>$5.1 M</td>
</tr>
<tr>
<td>1989</td>
<td>134</td>
<td>2,083</td>
<td></td>
<td>$5.5 M</td>
</tr>
<tr>
<td>1990</td>
<td></td>
<td>2,310</td>
<td></td>
<td>$6.2 M</td>
</tr>
<tr>
<td>1991</td>
<td>154</td>
<td>50 (32%)</td>
<td>2,471</td>
<td>$6.8 M</td>
</tr>
</tbody>
</table>

**Sources:** “The Historical and Political Perspective of the City of Edmonton’s Out-of-School Care Program,” Edmonton Children’s Services, 13 February 1990 (ECFS, Children’s Services, 1991, box 1, file 1.2); “The Municipality’s Role in Child Care and Children’s Services,” Community and Family Services, Children’s Services Section, April 1991, Appendix I (ECFS, Children’s Services 1991, file 6.3).

* Number of full-year-equivalent children.
* Administrative cost for 1981 is estimated at $100,000.
Parents whose children received a provincial subsidy for day care expected to receive a subsidy for OOSC and were directed to the city by the hundreds when they enrolled in the new commercial OOSC centres that were growing like mushrooms throughout Edmonton.13

Freezing the availability of OOSC subsidies was one way that Edmonton could control its OOSC costs when demand was growing so quickly. The first such freeze was introduced in the summer of 1983, although it was lifted after a short time. As an alternative, Edmonton looked to reduce its spending on model day care. In 1984 the quality-enhancement grants to the twelve municipally approved day cares were reduced by 17 percent compared to 1983. An equivalent cost saving was realized by the city’s decision to end municipal sponsorship of the Glengarry Day Care. The cost of care at the municipal centre was relatively high compared to other non-profit day cares in the city but only because the workers were represented by Local 52 of the Civic Service Union and were thus paid wages that somewhat approximated the value of their work relative to other unionized city workers. The 1984 budget for the Glengarry Day Care projected a deficit of $397,000, half of which would be recoverable from CAP. The net cost to the city, therefore, would have been $198,500, or $275 per child per month.14

At this point, the costs of the Glengarry program became a subject of public ridicule. Even Alderman Jan Reimer, daughter of former provincial NDP leader Neil Reimer, bashed the municipal centre. “The costs to keep a child [in Glengarry] have gone out of line,” she stated. “The city would be better off hiring a nanny for each child.” It is important to note that there had been a changing of the guard in leadership at Edmonton Social Services (ESS), and the department in early 1984 seemed to pander to the critics of the municipal day care. For instance, the Edmonton Journal reported the following just after the budget committee had recommended that Glengarry be closed: “Department officials said it costs at least twice as much per year—approximately $10,000—to keep a child in the unionized daycare centre as it would in a non-union community agency.” What department officials failed to emphasize was that the net cost to Edmonton taxpayers was only $3,300 per year for a child, a far cry from $10,000. This episode indicated that while modelling quality care continued to be part of Edmonton’s conception of a lighthouse program in 1984, modelling quality compensation for workers had fallen out of favour.15

The city’s initial decision was to close the Glengarry Day Care outright. Shortly after that decision was made, John Lackey was hired as the new general
manager of ESS. Lackey, it will be remembered, was a former director of PSS for the province. Under Lackey’s leadership, ESS soon crafted an alternative to closure that saw the Glengarry Day Care turned over to a non-profit community board effective 1 July 1984, and it immediately become eligible for subsidization as a municipally approved day care. Whereas the city would have saved almost $200,000 a year by closing the centre, the saving from the new arrangement was estimated at $150,000. (The difference between these two figures was Edmonton’s 50 percent share of the $96,000 subsidy provided to the Glengarry Day Care Society, with the other 50 percent share covered by CAP.) Interestingly, however, the proposal included a commitment by ESS to donate all of the municipal centre’s furnishings and toys to the new society and to spend $400,000 to renovate the city-owned building that housed the day care. The city also agreed to continue to operate the small FDH based at Glengarry as a direct municipal service so that the society could concentrate on the day care. Therefore, ESS eventually did everything it could to ease the transition of the Glengarry Day Care from municipal to community not-for-profit auspice. This ensured continuity of care for children and enabled the day care to maintain relatively high standards. Indeed, the only real losers were the twenty or so workers at the Glengarry Day Care who had their wages slashed in an exercise that had a great deal of symbolic meaning but very little effect on the city’s bottom line.16

The end of municipal sponsorship for the Glengarry Day Care in 1984 was the nadir for Edmonton’s support of lighthouse day care in the 1980s. The following year, ESS conducted a thorough review of its day care, OOSC, and FDH programs. The recommendations that emerged from the review provided a solid programmatic rationale for city support of particular day cares and resulted in an increase in the number of approved day cares from thirteen to eighteen. The recommendations also led to a significant reorientation of the municipal OOSC program and to the transfer of the small FDH program to the Glengarry Day Care Society on 1 September 1986.17

During the 1985 program review, opposition to the city’s funding for lighthouse day cares was expressed by both commercial operators and the Edmonton Committee for Quality Child Care. The latter group recommended ending support for model day cares and reallocating the funds to OOSC programs.18 Instead of supporting this move, however, Edmonton’s child care subcommittee recommended that municipal funding be used to support “specialized Child Care Family Resource Centres” (CCFRCS), which would provide a range of “special
functions” including parent training and support services, coordinating the range of services required by high-needs children, and operating a toy-lending library. On top of these special functions, a CCFRC was expected to operate a model day care that met improved city standards and to make itself available for practicum training by early childhood education (ECE) students. All in all, this was a surprising recommendation that went far beyond the opinions expressed during the public consultation process. A story in the Edmonton Journal maintained that if the CCFRCs came into existence, they would represent “a dramatic change from the current situation.” This was not entirely accurate, however, since the recommendation was consistent with the spirit of the PSS approach to day care as a total community service. Furthermore, as was noted at the time by the director of one of the municipally approved day cares, “those preventive programs are occurring at centres now,” albeit neither as systematically nor as thoroughly as they could have been.19

By the middle of 1986, the city had adopted a list of expected specialized services based upon the subcommittee’s recommendations. ESS stipulated, “It is expected that Municipally Approved and Funded Centres will demonstrably provide most or all of these elements within their programs.” But even though municipally approved day cares (MADCS) were now expected to serve as resource centres as well as provide quality child care, the “resource centre” label did not enter Edmonton’s lexicon at that time.20

The city also followed the subcommittee’s recommendations that the competition for municipal funding be opened up to any non-profit day care, that a Children’s Services Sub-Committee (CSSC) be constituted on a permanent basis to make recommendations on the allocation of municipal funds to day cares, and that the city “update and revise its municipal daycare standards” and then require day cares to meet these standards as a basis for supplemental funding. A competitive process, managed by the CSSC, occurred in late 1986 for the 1987 budget year. It led to the number of MADCS growing from thirteen to eighteen, but due to a lack of funds, the number was frozen at eighteen in 1987.

On paper, it looked like the review process of the mid-1980s had propelled Edmonton to substantially increase its support for quality preschool child care: not only were there more MADCS, but each centre was expected to provide a long list of specialized services to families and the community, and was monitored to ensure that it followed the city’s quality standards. Unfortunately, however, funding for the program did not keep pace with this ambitious plan. In 1983 the city provided an average of $1,761 per year for each of the 423 subsidized
children in its MADCs. (There were 121 additional licensed spaces in the centres that were filled by unsubsidized children.) By 1988 the amount had fallen to $1,694 for each of 538 subsidized children. (After correcting for inflation, the 1988 subsidy was $1,450, or 18 percent less than in 1983.) Both the CSSC and city bureaucrats realized that this amount was inadequate and lobbied for a $250,000 increase in the city’s grant to day cares in 1989. They were unsuccessful. In 1991 Edmonton provided $1,680 per year for each of 505 subsidized children. (In 1983 dollars, the 1991 subsidy was down to $1,232, or 30 percent less than in 1983.)

Increased expectations in combination with declining subsidies put both the service providers (the MADCs) and their overseer (the CSSC) in a very difficult situation. In its first year for assigning subsidy money (1987), the CSSC had gone as far as to rank all applicants in terms of the range of specialized services they promised to offer. Three years later, however, no such ranking was undertaken. Instead, the subcommittee pragmatically focussed its attention on using some of the city’s grant to supplement the wages of trained workers.

The 1985 program review also addressed OOSC and significantly reoriented Edmonton’s involvement in this area. The lead recommendation was “that City Council confirm its commitment to make Out-of-School Care available to all children who require the service.” Although city council “struck” this recommendation at its 13 August 1985 meeting, it did immediately add $370,000 to the budget in order to expand the availability of OOSC subsidies. Furthermore, Edmonton regularly increased its spending on OOSC for the rest of the decade, even though increases in the province’s FCSS grant did not keep pace (table 8.1). Indeed, in 1990 Edmonton spent approximately $17.5 million on FCSS programs, $6.2 million of which went to OOSC. In that same year, its provincial FCSS grant was only $7.7 million. Had Edmonton held to the expected 80 percent/20 percent cost-sharing formula for FCSS programs, it would have contributed only $1.9 million in 1990. Instead it contributed $9.8 million, or 56 percent of the total. If we use this percentage to calculate the city’s share of the OOSC budget, then Edmonton contributed about $3.5 million toward OOSC in 1990, considerably more than the $916,000 it put into MADCs.

Another important recommendation from the 1985 review was “that City Council financially support only those programs which meet City of Edmonton standards.” A consultative process led to the introduction of a new set of OOSC standards for the 1987–88 school year and the establishment of a children’s services section to monitor and consult with OOSC centres. While all licensed
centres continued to be eligible for subsidies during the next two years, centres that met the city’s standards received a higher subsidy rate than other centres. By the end of 1988 approximately 50% of all subsidized children were being cared for in licensed OOSC centres meeting the City’s approved standards.” At this time, the municipal government ended deficit funding of its original community OOSC centres and instead directed all of its spending into portable OOSC subsidies and consultative services.

The fact that CAP did not allow for cost sharing of OOSC subsidies in commercial centres was another focus of the 1985 review. The advisory subcommittee recommended “that City Council work toward maximum utilization of Canada Assistance Plan funding.” ESS in turn recommended “that the City encourage expansion of OOSC under non-profit auspices” by persuading existing not-for-profit groups to establish OOSC programs, helping to organize not-for-profit societies that would be solely focussed on operating OOSC programs, and assisting groups to secure funds from foundations and service groups. This recommendation was immediately accepted by city council (13 August 1985) and had a significant impact on the development of OOSC in Edmonton for the rest of the decade. Between 1981 and 1985, almost all of the rapid growth in OOSC had been in the commercial sector. However, between 1985 and 1991, the number of not-for-profit OOSC centres almost doubled, and the net growth in the two sectors was exactly equal at twenty-four centres apiece. By 1991 almost one-third of the OOSC centres in Edmonton were run on a not-for-profit basis (table 8.1).

Given Edmonton’s leadership role in day care in Alberta during the PSS years, it is not surprising that the city carried on this role in the 1980s and spent a great deal more on lighthouse day care and OOSC than any other Alberta city. Indeed, in 1992 Edmonton’s per capita spending on child care was $14.37 compared to $8.56 in Medicine Hat, $3.56 in Lethbridge, and $2.41 in Red Deer. I estimate the comparable figures for Calgary and Grande Prairie at $6.75 and less than $1.00, respectively. Furthermore, Edmonton had a broad commitment to quality children’s services beyond its MADC and OOSC programs. Specifically, in 1990 almost $800,000 in FCSS funding was allocated to Head Start and other forms of early intervention programs for preschoolers from disadvantaged families. Consequently, when the federal and provincial governments began to emphasize public spending on early intervention programs rather than on day care in the 1990s, the city was primed to move in this direction. This shift will be detailed later in this chapter.
Calgary’s Three Municipal Day Cares

Because Calgary had been the first city to commit itself to the new provincial system of cost-shared portable subsidies, it was spending far more on day care subsidies in 1980 than Edmonton was. Therefore, Calgary saved approximately twice as much as Edmonton ($800,000 vs. $391,000 annually) when, beginning in the summer of 1980, Bob Bogle unilaterally excluded municipalities from participation in the provincial day care system. Within a week of the minister’s announcement of the new policy, the director of Calgary Social Services (CSS), Sam Blakely, publicly raised the possibility “of using municipal money, which will be saved by the provincial government’s takeover of subsidy payments, to improve local day care standards.”

Early the next year, the department prepared a detailed report on day care and OOSC in the city. It recommended an ambitious program to “provide daycare programs of all types with financial incentives to provide an enhanced quality of care.” To qualify for incentive payments, centres would have to meet city standards that exceeded the province’s licensing standards. The department proposed municipal funding of $1.8 million for this incentive program in 1981–82.

At the time this recommendation was made, Calgary was at the beginning of a period of rapid growth of day care, sparked by the new provincial operating allowances. In May 1980, there were 5,534 licensed spaces in the city. Just twenty months later, the number of licensed spaces had grown to 7,258, an increase of 31 percent. This sort of growth meant that Calgary’s idea of a broad-based financial incentive program for day cares would have potentially cost far more than initially budgeted. Eventually Calgary chose to restrict its involvement in lighthouse day care in the 1980s to ongoing sponsorship and subsidization of the three municipal day cares: Shaganappi (including a satellite FDH program), Bridgeland, and Connaught. The workers in these municipal day cares were all unionized; therefore, unlike Edmonton, which closed its only municipal day care in 1984, Calgary remained committed to a model of quality compensation for day care workers throughout the 1980s. As a consequence, in 1991 the City of Calgary spent $1.9 million on its three municipal day cares and FDH program while Edmonton spent less than $900,000 on its eighteen MADCs. While these figures are not directly comparable because Calgary’s appears to include consultative services while Edmonton’s does not, it is nonetheless apparent that Calgary had chosen a starkly different approach to lighthouse day care than Edmonton had.
Like Edmonton, Calgary also put considerable effort into the development of subsidized OOSC after agreeing to include it as an FCSS program for the 1981–82 school year. In May 1980, there had been only 177 licensed OOSC spaces in Calgary, all in not-for-profit centres. Three years later, the city temporarily froze the number of OOSC spaces it was prepared to subsidize at 850 because of budget restraints. OOSC grew very rapidly in 1982–83, when Calgary’s unemployment rate jumped because of a drop in oil prices. A city report explained this phenomenon: “Operators, faced with declining enrollments in preschool spaces [because unemployed parents do not tend to use day care], have turned increasingly in recent months to offering care for school-aged children as an alternative source of revenue in order to maintain their cash flow. This has coincided with an apparent increase in interest on the part of working parents to utilize supervised child care services for their elementary school-aged children.”

As was noted in the previous section, Edmonton provided subsidies for OOSC in any provincially licensed centre right up until 1989. Calgary, however, adopted municipal OOSC standards in 1982 and thereafter required subsidized children to enrol in a program that met those standards. Calgary’s standards were not particularly stringent but undoubtedly excluded low-quality commercial centres and therefore helped to limit the growth of OOSC subsidies relative to Edmonton: while the number of subsidies in Edmonton grew by 175 percent between 1983 and 1991 (table 8.1), the number of OOSC subsidies in Calgary grew by only 36 percent over the same eight-year interval. In 1991 Edmonton’s director of children’s services, Kathy Barnhart, argued that another reason for the relatively high number of OOSC subsidies in Edmonton was that the participation rate of low-income families in the provincial day care program was much higher in Edmonton than in Calgary, and subsidized parents tended to move their children from day cares to OOSC programs when they entered grade 1. The main consequence of the differential growth rates in subsidized OOSC in the two cities was that Edmonton’s 1991 budget for OOSC of $6.8 million (table 8.1) was more than twice the $2.6 million spent by Calgary.

Overall, in 1991 Edmonton spent approximately $7.7 million on children’s services while Calgary spent $4.4 million. Interestingly, however, Calgary spent considerably more on lighthouse day care, concentrating its spending on three municipal day cares and an FDH program. This contrasts with the lighthouse model in Edmonton, where far less money was spread over a relatively large number (18) of community-run, not-for-profit day cares. Calgary’s model for lighthouse day care was certainly the better of the two in recognizing the value
of the labour of trained child care workers. However, Calgary’s model was also more vulnerable to political attack since its subsidy was benefiting relatively few children and employees.

Continuing to sit on Calgary City Council throughout the 1980s was perhaps the biggest critic of Calgary’s municipal day care program. In 1980 Alderman Barbara Scott was the only member of the community services committee to oppose allocating $150,000 to subsidize the municipal day cares. Later in the decade, however, Scott’s philosophical aversion to direct municipal provision of social services began to attract greater support. Her concerted campaign to privatize or close Calgary’s municipal day cares is detailed in the next section.

One additional factor complicated the future of Calgary’s municipal day cares in 1989–90. After auditing Calgary’s municipal day care program for adherence to the terms of CAP in the late 1980s, the federal government held off from processing the city’s claims for 1988 and 1989, and “requested a portion of previous claims to be returned.” The problem was that the city did not charge anyone the actual cost of the service and thus ended up subsidizing high-income parents as well as parents of more limited means, while CAP specifically forbade the universal subsidization of day care. Fortunately for the municipal government, it was not counting on CAP transfers to fund the ongoing operations of its municipal day cares (unlike Edmonton) and could thus live with a long delay in getting CAP reimbursements. Nevertheless, the federal government’s action contributed to questions about the sustainability of Calgary’s municipal day care system and demonstrated that the federal government did not share CSS’s enthusiasm for the universal subsidization of day care costs.

Patterns of Support for Lighthouse Child Care in Other Municipalities

At the zenith of municipal sponsorship of lighthouse day care in the 1980s, there were eleven municipally run day cares in Alberta’s six largest cities (line 1, table 8.2). This was two more municipal day cares than had existed in the late 1970s, with Red Deer being the new municipal operator. The other major Alberta city that expanded its direct involvement in the provision of child care in the 1980s was Grande Prairie. When the end of PSS funding forced Awasis Day Care to move to a smaller facility, it could no longer continue to run a satellite FDH program. The municipality took over the program and ran it on a break-even basis.
throughout the 1980s. This FDH program was very popular with many parents because it had the highest standards in Grande Prairie and it strictly enforced those standards.35

Edmonton turned its only municipal day care over to a not-for-profit community board in 1984 and did the same with its only FDH program in 1986. Red Deer, which had begun the 1980s by becoming the operator of two day cares and an FDH program, followed Edmonton’s lead on 1 January 1990, when both of its day cares and the FDH program were turned over to a not-for-profit society. Red Deer remained committed to lighthouse day care at that time, however, since the facilities were leased to the society without charge and the city provided a yearly quality-enhancement grant of almost $100,000. At the beginning of the 1980s, therefore, the City of Red Deer strove to emulate the Calgary/Medicine Hat model.

### Table 8.2 Support for Lighthouse Child Care, 1980 to 1992

<table>
<thead>
<tr>
<th></th>
<th>Edmonton</th>
<th>Calgary</th>
<th>Medicine Hat</th>
<th>Red Deer</th>
<th>Grande Prairie</th>
<th>Lethbridge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum number of city-run day cares during the 1980s</td>
<td>1</td>
<td>3</td>
<td>5</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of city-run day cares in 1990</td>
<td>0</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>City-run FDH program during 1980s?</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>City-run FDH program in 1990?</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Number of day cares receiving support in 1990</td>
<td>18</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Approximate per capita spending on day cares and FDHs in 1992*</td>
<td>$1.40</td>
<td>$2.50</td>
<td>$6.05</td>
<td>$1.40</td>
<td>$0.30</td>
<td>$0</td>
</tr>
<tr>
<td>Approximate per capita spending on OOSC in 1991</td>
<td>$11.05</td>
<td>$3.45</td>
<td>$1.00</td>
<td>$0.35</td>
<td>$0</td>
<td>$3.56</td>
</tr>
</tbody>
</table>

**Sources:** The first five entries in each column are based upon information recorded in the text. The financial data come from: memo from William Ardiel to Barbara Scott, “Comparison of Social Service Budgets for Edmonton and Calgary,” 28 March 1991 (ECFS, Children’s Services 1991, file 11.4); and Medicine Hat 1992, 108.

*Any reimbursements from CAP have not been deducted.*
of running lighthouse day cares under municipal auspice. At the end of the 1980s, however, Red Deer switched to the Edmonton model of providing subsidies for model day cares run by community groups (Medicine Hat 1992, 109).

Although Medicine Hat ran fewer day cares in 1990 (three) than in 1980 (five), it too remained committed to providing day care as a municipal service. In 1992, just after the city had opened a new municipal centre at Medicine Hat College, the municipal sector controlled 33 percent of the 619 licensed spaces in the city; the commercial sector, 41 percent; and two day cares run by churches, the remaining 26 percent. At the same time, there were three commercial FDH agencies in Medicine Hat with 321 homes, more than twice the 140 homes affiliated with the municipal FDH agency (Medicine Hat 1992, 20). The two cities that spent the most per capita on preschool day care in the early 1990s (table 8.2)—Medicine Hat and Calgary—were the only cities that, at that time, operated day cares as direct municipal services.

Medicine Hat took full advantage of CAP flow-through funding in the 1980s to sustain its direct involvement in preschool child care. In September 1983 the city received a backdated CAP reimbursement of $378,000 for its expenditures on child care between 1980 and 1982. For the years between 1983 and 1990, Medicine Hat received flow-through funds ranging from a low of $184,000 (1983) to a high of $256,000 (1990). In total, the federal government transferred $2.1 million to Medicine Hat for its day care services between 1980 and 1990 (Medicine Hat 1992, 22). Adjusting for inflation, the transfer was $3.7 million in 2006 dollars. The city used the CAP money to pay higher wages and require higher standards than its competitors. For instance, beginning in 1986, all new hires in city-run day cares had to have at least a one-year early childhood development (ECD) diploma (16), whereas the province’s licensing standards at that time did not cover staff training.

In the late 1980s, federal officials became concerned that all families with children in municipally run day cares in Alberta were being subsidized: CAP rules mandated that only low- to middle-income families be subsidized. This problem was solved in 1991 when Medicine Hat introduced a sliding fee scale that had been approved by CAP officials. It made clear that “once a family income exceeds Canada Assistance Plan’s likelihood of needs, then that family no longer qualifies for a City subsidy and is required to pay the City’s unit cost” (26). However, the city included an exception to this rule that was approved by CAP: “In order to ensure that Day Care services will be affordable, a ceiling was placed on the parent fee to ensure that no family would have to pay more than 15% of their net
income on Daycare services” (26). One consequence of the 15 percent ceiling was that an upper-middle-income family with three children in city-run child care programs would receive a subsidy from the city. This feature of Medicine Hat’s subsidy system became a political liability when a new right-wing city council was elected in October 1992.

Medicine Hat’s involvement in child care in the 1980s went well beyond spending large sums on its day care centres. For instance, in 1983 a cost-recovery Mother’s Day Out program was initiated at the Crescent Heights centre after the early childhood services program previously run at the centre was transferred to the school system.36 This particular initiative was similar to Grande Prairie’s FDH program, begun at approximately the same time: both programs met important community needs for child care by drawing upon the professional expertise of municipal civil servants but did not cost taxpayers any money. The success of the two programs suggests that child care programs directly administered by local governments can sometimes be innovative, efficient, and highly popular.

Another new program initiated in Medicine Hat in the 1980s was a dedicated group-care program for school-aged children. Beginning in 1988, an OOSC program serving twelve children was established at one of the day cares to complement the city’s traditional approach of placing school-aged children in FDHs (Medicine Hat 1992, 36–39). Nevertheless, the demand for OOSC during the 1980s in Medicine Hat and other smaller Alberta cities was nothing like the demand in the larger cities. In 1992 Medicine Hat spent approximately $1 per capita on OOSC, and Red Deer and Grande Prairie each spent less (line 7, table 8.2). Indeed, in the 1980s and early 1990s, Grande Prairie tried, on three occasions, to establish an OOSC program, but each time there was not enough interest to warrant a permanent program. For one of its pilot projects, Grande Prairie only charged parents $15 per month but “only three or four kids showed up.”37

Municipal involvement in OOSC was a more pressing issue in both Edmonton and Calgary in the 1980s than municipal support for model day care. It is not surprising, then, that in 1992 each of these municipal governments spent more on OOSC than on model preschool child care (line 7, table 8.2); indeed, Edmonton’s spending on OOSC was almost eight times what it spent on quality-enhancement grants for its municipal day cares. The pattern of spending by Medicine Hat was almost the exact reverse, with spending on preschool child care being six times greater than OOSC spending. This indicates that Medicine Hat’s large spending on municipal day care in the 1980s and early 1990s, while consistent with the
historical trajectory of the development of day care in the city, was also a consequence of not facing intense pressures to expand the availability of subsidized OOSC spaces. Furthermore, in the 1980s, Medicine Hat’s per capita FCSS grant was frozen at a level that was higher than any of the other large Alberta cities, thus making it easier to run its modest OOSC program without extra contributions from property taxes.\(^{38}\)

It is useful to add together the figures in lines 6 and 7 of table 8.2 to get each city’s total per capita spending on child care in 1992 (minus miscellaneous programs). Medicine Hat ranked second on this statistic at $7.05 per capita, well behind the $12.45 spent by Edmonton and just ahead of Calgary’s $5.95. Red Deer and Grande Prairie spent the least of the six cities, and both fit the pattern of Medicine Hat in spending more on preschool services than OOSC. Lethbridge, however, fit the pattern of the two large cities in spending relatively more on OOSC. In fact, although Lethbridge spent nothing on day care or FDHS, it ranked fourth overall since it spent $3.56 per capita on OOSC, slightly ahead of what Calgary spent on OOSC ($3.45 per capita) and second only to Edmonton ($11.05 per capita) in the entire province.

In the first decade of the PSS program, Lethbridge had the deserved reputation of being the most conservative city in the province and, consequently, the city where public spending on child care ran into the most opposition. But based on provincial election results, by the end of the 1970s, it was no longer accurate to think of Lethbridge’s political culture in these terms (see chapter 4). Lethbridge’s relatively high spending on OOSC in the 1980s confirms this interpretation. The lack of spending on day care in the 1980s was a historical legacy of the earlier period, while active municipal support for OOSC subsidies in the 1980s was in keeping with Lethbridge’s more moderate political ethos. It is noteworthy that municipal tax dollars accounted for 36 percent of the total cost of Lethbridge’s OOSC program in 1992, far more that the 20 percent required to fully access FCSS funds from the province (Medicine Hat 1992, 109).

In summary, a decade after the province had unilaterally eliminated municipal governments’ formal responsibilities for preschool child care, four of Alberta’s large cities continued to provide significant funding for lighthouse day cares. The province refused to share the costs of these municipal programs, but the federal government covered half of each city’s net costs for low-income children since the province had assented to a unique flow-through funding deal between the federal and municipal governments. Furthermore, although Grande Prairie’s financial contribution to the two old PSS day cares
in that community was limited, it did run a municipal FDH program on a cost-recovery basis.

Things would change in the 1990s, however, as each of these cities abandoned their experiments with model child care for preschool children. The remainder of this chapter investigates why this happened, with attention to the intersection of national, provincial, and city-specific factors.

LARGEST CITIES ABANDON THEIR LIGHTHOUSE PROGRAMS

The Best Is Attacked First: Business Owners and Right-Wing Aldermen Unite

In the summer of 1992, Howard Clifford bicycled through Alberta during a 5,800-mile “vision quest” for quality child care that took him from Prince Rupert to Inuvik to Winnipeg. During his brief stay in Medicine Hat, the national child care consultant was interviewed by a reporter for a local radio station. “I was asked what I thought of the day care program in Medicine Hat,” Clifford wrote a short time later.

The city historically has been an oasis for day care. If I was asked to name the most progressive community in Alberta in terms of child care, Medicine Hat would win hands down. In fact I would rank it the equal of any community in Canada. One of the reasons the day care program is of such high quality is that years ago the city opted for a number of municipally operated centres. Being municipal, the salary levels are better (still not what they ought to be) and the standards set by these centres provided a leadership thrust.

I doubt the citizens of the City fully appreciate what a nice childcare system they have.... Later I was to hear that there are some in the community grumbling about the cost of day care and feeling that the private sector could do it cheaper. I hope, for everyone’s sake, their vision isn’t sold out.... Twenty years ago I believed that if you once got your foot in the door and established a good program, it was relatively safe. Sadly I have been proved wrong. (1993, 221–22)

As it turned out, the “grumbling” to which Howard Clifford referred had powerful political forces behind it. In the year of Clifford’s vision quest tour, the municipal government operated four day cares at a net cost of $468,000.
prior to CAP reimbursement. Four years later, the city had turned three of its day cares over to other operators. Furthermore, while it still operated the day care at Medicine Hat College, it only had to provide a small subsidy because of savings from management reorganization and a larger financial contribution extracted from the college. Therefore, in the short span between 1992 and 1996, day care in Medicine Hat underwent a fundamental change as the municipal government drastically scaled back its involvement.

Two events in 1989 signalled problems for Medicine Hat’s continued sponsorship of model day cares. The first was the formation of the Medicine Hat and District Independent Day Care Operators’ Association (hereafter the Independent Operators’ Association, or IOA). In a 1995 interview, long-time Medicine Hat Alderman Graham Kelly stated, “The major reason behind the formation of the Independent Operators’ Association was to get the City of Medicine Hat out of the daycare business.” He identified the owners of a struggling commercial centre as the spark for forming this organization. According to Alderman Kelly, the struggling day care was established in a neighbourhood that did not have very many young children. Instead of coming to the sensible conclusion that the day care should be moved to a neighbourhood with more young children, the owners and chamber of commerce blamed unfair competition from municipal centres for the day care’s high vacancy rate.

Also in 1989, the Medicine Hat News reported that “a couple of aldermen are working behind the scenes to have the [municipal day care] service privatized.” Both prior to and after the 1989 municipal election, however, the aldermen who supported cutting what the city spent on model day care formed a minority on a council led by Mayor Ted Grimm (a former union employee who had run for the NDP in Medicine Hat in the 1967 provincial election) and Alderman Kelly (a high school principal). For instance, at the city council meeting on 4 May 1992, a motion put forward by Aldermen Kathy Mandeville and Wayne Craven to cut the city’s spending on day care by $54,000 in 1992 was defeated, with six members of the nine members of council voting against.

However, the political climate throughout Alberta and British Columbia changed markedly in the early 1990s, and this had a significant impact on municipal politics in Medicine Hat. During these years, the Reform Party of Canada, led by Preston Manning, the son of former Alberta Social Credit premier Ernest Manning, skilfully promoted provincial rights, fiscal conservatism, and traditional family values, and capitalized on growing disenchantment with the federal Progressive Conservative government of Brian Mulroney. Among the
prominent members of the Reform Party in Medicine Hat was Alderman Kathy Mandeville, who on 11 April 1992 narrowly lost the Reform nomination for the riding of Medicine Hat to Monte Solberg. Solberg went on to handily win the riding in the federal election in 1993 with 55 percent of the vote. In that election, the Reform Party won 22 of the 26 ridings in Alberta and 24 of the 32 ridings in British Columbia.42

Julie Friesen was one of the three sitting aldermen who were defeated in their bids for re-election in the October 1992 municipal election. She described the politics of the period in these terms:

In my opinion, the feeling of the people both municipally, provincially and federally was a very right-wing view: “We are not willing to support any social service kinds of areas, or soft service kinds of areas or human service kinds of areas. We are only willing to support those absolutely destitute types but anyone else can darn well start paying their own way. We shouldn’t be in those kinds of businesses when the private sector can do it.”43

The IOA made two astute moves in its campaign against the city-run day cares. First, it convinced the two church-run day cares in Medicine Hat to join, thus allowing the IOA to frame the debate as “independent vs. government” instead of “commercial vs. not-for-profit.” This anti-government theme tied in very nicely with the Reform Party’s message. Second, as noted by Wally Regehr, who ran unsuccessfully for alderman in 1992, the IOA secured the support of the chamber of commerce, which he described as “a force in Medicine Hat politics.” A 1991 letter to Mayor Grimm made it clear that the chamber’s concern went beyond the municipal day care program: “The Community Services department is clearly out of control with a four year compound growth rate of 9.3%, almost double that of transportation services which averaged 5.4%.”45

As noted in the first part of this chapter, in 1991 Medicine Hat introduced the rule that no family with children in city-run centres should spend more than 15 percent of its net income on day care. The next year, the Medicine Hat and District Chamber of Commerce featured this policy in an appraisal of city-run day care services. It described the situation of a hypothetical family with three young children aged seven, five, and three years, and $3,000 of monthly net income. Such a family would have paid $704 per month for day care at a commercial day care or $803 per month for municipal day care according to the city’s sliding fee scale. However, the 15 percent rule meant that the family would only be charged $450
per month by the city. The Chamber of Commerce used this example to make the point that the city’s 15-percent-of-net-income rule resulted in a subsidy “not only to low income groups but upper income as well.”

Agitation by the IOA and Medicine Hat and District Chamber of Commerce would have made day care an issue in the 1992 municipal election regardless of any other developments. However, day care was a much bigger issue in that election than it otherwise would have been because of the work of a day care policy review committee in the preceding months. Indeed, the committee released its final report on 6 October 1992, just two weeks before election day. The fact that this program review culminated when it did instead of being delayed until after the election was a tactical error; it suggests that the majority of those on city council between 1989 and 1992 did not fully appreciate how the growing strength of the Reform Party would affect municipal politics.

The policy review of 1992 was bureaucratically rather than politically initiated. Municipal FCSS recommended an internal review after noting that the day care program had last been reviewed in 1983. When the matter was put to city council, however, the recommendation was changed so that the review would be conducted not by civil servants but by a special public committee, and participation of the IOA on the committee was mandated.

The IOA set the tone for the policy review with an aggressive presentation to city council on 16 March 1992 that concluded, “We can meet the total child care needs of the community without the use of municipal tax dollars.” The review itself got underway the next month; it was chaired by Gitta Hashizume, a strong supporter of Medicine Hat’s model day cares, but it did include among its five members a representative of the IOA.

Many organizations and individuals wrote or made a presentation to the policy review committee in support Medicine Hat’s system of quality day cares. Besides the IOA and the Medicine Hat and District Chamber of Commerce, the only organization that questioned the city’s involvement was the Southview Church of God, operator of a not-for-profit day care. Pastor Mel Wagner did not call for Medicine Hat to withdraw from the field of day care, but he did note, “There are some among our board and congregation who feel the City ought not be operating a daycare service in the community.... The basis of their private belief is based upon the principle of free enterprise and/or the actual cost to the taxpayer.”

Most of the individuals who wrote to support the city’s involvement in child care were parents with children in city-run facilities (thirteen letters) or FDH providers in the municipal satellite system (nineteen individuals). However, there
were two long, thoughtful letters from other citizens who supported the city’s child care system and a pithy letter of opposition from a stay-at-home mother, Jo-ann Petro, who made two main points. First, she objected to paying taxes “for the care of other people’s children” and claimed that she would not be able to remain as a stay-at-home parent “if the taxes keep going up because of people who could stay at home but consider their careers a priority.” This was the sort of argument that was being popularized throughout Alberta at this time by the pro-family group Kids First (see chapter 7). Second, Petro questioned why taxpayers’ money had been used to try and mobilize parents with children in city-run day cares and FDHs to write to the review committee. It so happened that the city’s day care advisory committee had prepared a form letter that was favourable to the status quo and had distributed the letter to all parents with children in city-run facilities, asking them to sign, add personalized comments, and submit it to the policy review committee. The dollars spent on the mobilization campaign were fairly small, covering the cost of printing about five hundred copies and mailing two hundred letters to satellite FDH clients (the material was handed out in person at the municipal day cares). Yet the question of whether this was an appropriate use of tax dollars was an important one and led to a prominent story in the Medicine Hat News.

Alderman Brian Stein reacted to the incident in a way that would resonate with the majority of citizens. The News quoted him as saying, “I didn’t particularly like what was done. I didn’t like that it seemed to be coming from within the city.” Stein also told the paper that “the tone of the form letter was ‘pretty well slanted.’” In 1994 defeated aldermanic candidate Wally Regehr presented this incident as an important part of the politics of day care in 1992. He stated that the IOA and their supporters “effectively put doubt in people’s minds whether in fact the city day care people, the administration, were playing fair with the privates. And that was pretty effective…. The city had perceived and put itself forward as the high-quality, squeaky clean, good operation and it kind of tainted them I’d say.”

The City of Medicine Hat’s Footsteps to the Future: Day Care Policy Review recommended that the city scale back its involvement in model day care by closing one of its four centres and turning a second centre over to the public school district or a not-for-profit society. Hashizume stated that these suggestions “did not involve large conflicts” and were taken “in response to the political environment.” At the same time, the report affirmed the need for the city to provide “some level of direct service” in day care in order to “maintain a positive
influence on the standard of group care” and recommended that Medicine Hat continue to operate its satellite FDH project (Medicine Hat 1992, 47–48).

The IOA organized a special candidates’ forum on day care just five days before the election. Mayor Ted Grimm was facing a token challenger in the 1992 election, and neither he nor his opponent appeared at this forum. However, thirteen of the seventeen candidates for the eight aldermanic positions did attend: three of the seven incumbents who were running for re-election and all ten of the other candidates. They were asked to respond to the question “Considering how much is spent, should the city get out of day care, yes or no?” It seems likely that this question provided an election focus for some voters. When the dust had settled on election night, only two of the nine members of council (Ted Grimm and Graham Kelly) were strong supporters of city-run model day care; six members were opponents and one supported a middle ground.52

The shift to the Right on Medicine Hat City Council in 1992 was in step not only with the rise of the Reform Party on the federal scene but also with a strong swing to the Right in provincial politics. Between 1989 and 1993, the NDP held sixteen seats in the provincial legislature. However, in the 15 June 1993 provincial election, the party failed to elect a single candidate. Nevertheless, it was the intersection of local and extra-local factors that explains the municipal election results of October 1992.

The election of a right-wing city council in Medicine Hat in 1992 elicited two responses from the supporters of the city’s involvement in the provision of model day care. On the one hand, there were different forms of protest action, including a speedy move by the thirty-nine child care workers employed by the city to join the Canadian Union of Public Employees (CUPE), thoughtful letters to the editor of the Medicine Hat News, and collective action by a group of twenty people, some with placards, who sat in the public gallery during the city council meeting of 21 December 1992.53 The other response was a finesse move by Mayor Grimm and Alderman Kelly: they attempted to use city council’s committee structure to neutralize the power of the majority on council.

The tradition in Medicine Hat at the time was for the mayor to assign council members to standing committees. After the 1992 election, Mayor Grimm struck a public services committee consisting of the only two aldermen who supported continuing municipal investment in model day care (Graham Kelly and Ken Sauer) along with the most outspoken critic of municipal day care services, chamber of commerce manager and newly elected alderman John Hamill. This committee structure had the potential to neutralize Hamill’s opposition if
he could be convinced to publicly support a compromise hammered out in the committee. Later, Graham Kelly commented that “Hamill was safer on the committee than off.”

At first it looked like this finesse strategy might work. The initial recommendation of the public services committee called for the city to continue to operate three of its day cares and review whether it should continue to operate its fourth centre, located at Medicine Hat College. Furthermore, it recommended that the amount spent on subsidizing the model day cares be reduced without setting any specific targets or timetable. Of note, Alderman Hamill was quoted as saying he agreed with the recommendations although he commented that “yearly deficits of $300,000 cannot continue.”

But the finesse strategy of Grimm and Kelly collapsed at a heated meeting of city council on 7 December 1992. The majority on council refused to endorse the recommendations of the public services committee and sent the matter back to the committee to “develop a solid mission statement [for city involvement in day care] accompanied by financial figures.” At that meeting, John Hamill broke with his colleagues on the committee and “suggested the city phase out day care completely in three years.”

Even when faced with defeat, however, Mayor Grimm and Alderman Kelly skilfully manoeuvred to minimize the long-term damage to quality day care in Medicine Hat. Behind the scenes, a compromise was crafted whereby civil servants would have four years to gradually reduce the city’s spending on preschool day care to zero (spending on other child care services was not an issue at the time). Graham Kelly commented that he supported the compromise because “it is what I felt would pass. Given the council it seems the alternative was to be out of day care completely in a few months.” Not realizing the tight spot that Kelly and Grimm were in, supporters of municipal day cares were taken by surprise that this recommendation passed by a vote of nine to zero at the city council meeting of 21 December; they had not yet realized that, given the conservative slant of the new council, a phased withdrawal was the best possible outcome.

By the end of 1993, Medicine Hat continued to operate its four day cares and FDH program; however, it had substantially reduced its subsidy to the day care at Medicine Hat College by getting the college itself to add $58,000 in yearly contributions. In 1995 the city turned the management of its Crescent Heights Centre over to a commercial operator, and at the beginning of 1996, the public school board took over the operation of the Herald Centre. Later that year, after
Medicine Hat contemplated closing its John Millar Centre, the YMCA agreed to become the operator. Therefore, by the end of 1996, four years after city council’s decision to eliminate the deficit in day care, the administration had largely accomplished this task (although agreements with the school board and college made the city responsible for small amounts of transitional costs).58

Two additional actions in subsequent years completely eliminated the city’s direct involvement in the provision of child care for preschoolers. First, in 1998 management of the college centre was turned over to a non-profit society. Second, the city ended its operation of a satellite FDH agency, with the YMCA and College Child Care Society filling the gap as operators of not-for-profit satellite FDH agencies.

Although Medicine Hat ended its direct sponsorship of lighthouse child care for preschoolers in the 1990s, it managed to find new operators for all of its former services. Indeed, in 1998 the Crescent Heights Centre was taken over by the YMCA from the commercial operator who had run it since 1995, thus putting all four former city day cares in the control of stable not-for-profit organizations. Similarly, not-for-profit agencies filled the gap created by the exit from the FDH field. In the end, the municipal government’s withdrawal from preschool child care was managed in such a way as to preserve a strong not-for-profit alternative to commercial child care in Medicine Hat.

Looking back, it is unfortunate that day care was the lightning rod for the right-wing majority elected to city council in Medicine Hat in 1992, since there was probably sufficient support in the community, even at the height of the right-wing populist wave sweeping Alberta, for continuing this unique municipal system of child care. Mayor Grimm, for one, did not see the campaign against the municipal day cares as having a strong community basis. In a 1995 interview, he stated, “The day care issue was brought into the 1992 election as a means of attacking any social programs and their supporters. It was not necessarily an issue that was important to the community.”59

It is significant that the attack on lighthouse day care in Medicine Hat occurred well before the end of flow-through CAP funding for Alberta municipalities. Had Medicine Hat not made the decision it did in 1992, it would have been faced with deciding how to respond to the end of CAP funding in 1996. Some cutbacks were inevitable given that CAP transfers for the municipal day cares in Medicine Hat were over $200,000 per year. Nevertheless, it is conceivable that the city could have comfortably supported a reduced municipal program of lighthouse child care after 1996.
My conclusion is that a crucial legacy of the PSS era was lost when the City of Medicine Hat privatized its four day cares and FDH program in the mid-1990s. Fortunately, each of these services continued under not-for-profit auspices, albeit without the ability to model as high a standard of child care or employee compensation as would have been possible with city subsidization.

Ending Municipal Day Care in Calgary: A Settling of Political Scores

At the end of the 1980s, Calgary was the only other Alberta city that ran as many as three municipal day cares. Although the city ended financial support for its day cares at about the same time as Medicine Hat, the circumstances of Calgary’s withdrawal were much different, in keeping with local political factors.

Barbara Scott was elected to her seventh consecutive term as a Calgary alderman in 1989. After the municipal election, city council produced a strategic plan to guide its actions in the 1990s. The social issue highlighted in the plan was “How will we address social disparities and multicultural diversity?” As would be expected in a document of this type, many of the strategies proposed to address the city’s “social challenges” were very general without any specific policy implications and, as a result, uncontroversial. An example was “Develop programs to help new Calgarians.” However, one of the eighteen social strategies stood apart from the rest: it was the only one that took the form of an “instruction” to CSS and bore the unmistakable fingerprints of Alderman Barbara Scott: “Instruct the Social Services Department to change its role by reducing its involvement in direct services and to offer new, experimental programs, evaluate them and when appropriate turn them over to commercial or volunteer organizations” (Calgary 1990, 7). In an interview in 1995, Sam Blakely reported, “Privately I was told by one alderman that [Scott] developed the plan and the rest of them simply rubber stamped it.” Any ambiguity about Barbara Scott’s role in crafting this particular strategy or its implications for the municipal day cares was dispelled shortly after the strategic plan was released: Alderman Scott met with the staff of the municipal day cares, telling them that although no action would be taken right away, she expected the city would get out of running the day cares in about five years.60

Following on from its strategic plan, in late 1989, city council passed a motion proposed by Scott that CSS “review in total the operation of the municipal day care services.”
care centres.” That review, submitted in September 1990, demonstrated that the three municipal centres continued to be located in neighbourhoods with relatively high needs and offered many support services beyond child care. The review also argued that the city’s required staff qualifications for its municipal centres (all staff had to hold an ECE diploma or certificate) resulted in a much higher standard of care than in other nearby day cares. The review concluded by pointing to “the City of Calgary’s positive role in influencing the development and maintenance of high quality day care, and leadership in fair labour practices.” In 1990, therefore, CSS bureaucrats defended the municipal day cares in the face of those (especially Barbara Scott) who wanted the city to get out of the direct provision of day care. Their resistance contrasts with what happened in Edmonton in 1984, when civil servants seemingly abandoned the city’s only municipal centre (Glengarry) rather than pick a fight with local politicians.61

In Alderman Scott’s view, CSS “was mostly an agency organization” (i.e., involved in the direct provision of services) and its managers (led by Sam Blakely) “weren’t using their staff well. The research and planning components, for example, were totally missing; community development was totally missing.”62 It was some time, however, before Barbara Scott hit upon a process that would back CSS into a corner and force them to close or privatize the municipal day cares.

We set up a social challenges implementation committee and again talked about community development, talked with a whole bunch of people including parks and rec and others. And social services was very, very slow on the draw. You know the bureaucrats rule—the elected officials have power to state but in terms of implementation it’s very, very tough if bureaucrats don’t want to implement. And so we got promises from the [laugh] department that in order to develop this community development they’d have to do reports. So they did report after report after report and it took a long time to do the reports. [more laughter] And so we were having no progress whatsoever. The social services department was one of very few departments that had not had a value-for-money [VFM] audit done. And as the audit committee was looking at the various departments for a VFM audit they came to me and said “What about social services?” and I said “Great.”

The evidence indicates that Alderman Scott managed (some might say manipulated) this particular VFM audit in order to get a recommendation to close the municipally run day cares. First, she agreed to chair the audit task
force. Second, she personally recruited Alderman Sue Higgins to be the vice-chair knowing that Higgins, as a fiscal conservative with little expertise in social services, could be counted upon to be sympathetic to the sorts of facile arguments against city-run day cares that were routinely offered by owners of commercial day cares. Indeed, Alderman Higgins said she found the decision to recommend closure of the municipal day cares to be a relatively easy one compared to decisions she had made in VFM audits of other departments: “We had statistics to prove that there were four hundred vacant day care spaces in the private sector. Well, government should not be providing the same services in competition with the private sector because all of our services are subsidized by the taxpayer.” Alderman Higgins gave no indication in her interview that she appreciated what constituted quality day care or recognized that Calgary’s municipal day cares provided a substantially higher standard of care than most commercial centres.

Third, the two citizen members of the audit task force were nominated and selected by the other members of the task force, thus ensuring that neither of the citizen members would be a strong advocate for continuing municipal involvement in preschool child care. Fourth, Alderman Scott allowed the VFM audit to proceed with minimal input from CSS and almost no input from the staff and clients of Calgary’s municipal day cares. The first step in the audit was a study by a consulting team “to identify and recommend opportunities for cost reduction and service improvement.” The consulting team, which included representation from the city’s management audit staff, was led by two partners of the large accounting and audit firm KPMG. A manager in CSS reported that his department “was hardly consulted at all” by the consulting team. Furthermore, the line staff, co-ordinators, and supervisors in the day cares “were not consulted.” In contrast, in VFM audits of departments conducted at the City of Calgary prior to 1993, staff were involved to a much greater degree.

The task force did not organize and mediate a dialogue between the consulting team and department aimed at achieving a consensual set of recommendations. “My sense of the [audit task force report],” remarked Calgary Alderman Bob Hawkesworth, “is that the consultants had their day in court and that the department was left to try and influence things at the very end but didn’t really have that much of a voice in the formulation of the final recommendations that went forward.”

Conducting a VFM audit of the City of Calgary’s model child care programs in 1993–94 was a difficult and highly political task since there is no standard or
simple measure of the “value” of quality child care. The task was complicated by the fact that the consultants were directed to compare the value of existing programs (such as municipal day cares) with the value of proposed new programs (such as community development and research). One of the KPMG partners reported that Barb Scott’s audit task force “clearly wanted us [the consultants] to express an opinion” on whether the city should be running direct social services.\(^67\) The consultants would have known Barb Scott’s view on this question from the start of the exercise; it is hard to believe that the way they approached the audit was not shaped by this knowledge.

A CSS manager argued that this “was not a value-for-money audit in the strict sense of the word (improvements, efficiency, value for money, etc.).” Rather, the manager thought the process was “driven by an ideology and particular point of view” and included “elements of personal vendetta.” (“One of the aldermen on the task force was at odds with the director on a lot of issues.”) Sam Blakely believed that “essentially the decision to close the [municipal day cares] had been made some time ago. And I was never convinced that the audit team had anything in mind other than to privatize everything, or privatize as much as they could.” In his view, Alderman Scott’s push to end the department’s role in the provision of services was not merely “a change of direction” but rather “a dismantling of the department.” Sam Blakely retired prior to the conclusion of the VFM audit because he did not want to be part of a decision he saw as a “giant step backwards.”\(^68\)

The VFM audit task force prepared a list of forty-three recommendations for Calgary’s audit committee. The recommendation on day care read, “That the Social Services Department find alternative means for the delivery of direct childcare services and the Department bring forward to Audit Committee an implementation plan describing how this will be accomplished, no later than November 1994.” Ending the city’s model preschool child care would free up $1.3 million (later estimated at $1.4 million) for reallocation to other priorities.\(^69\)

The audit committee itself was composed of a citizen representative and seven aldermen, only one of whom had been a member of the task force (Sue Higgins). The meeting focussed on the recommendation to get the city out of running day cares and featured a presentation by Noreen Murphy of the Calgary Regional Association for Quality Child Care, who defended the efficacy of the municipal day cares. She stated, “Your services have been the model for the rest of us.” In particular, she highlighted the fact that Calgary’s day cares have been “able to deal with special needs cases which other centres can not easily handle.”\(^70\)

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The audit committee supported the task force’s recommendation that the city cease operating child care services, with two dissenting votes. The recommendation was then forwarded to city council. The task force had also recommended that the city close its juvenile probation service for a saving of $895,000, although it said it would withdraw this recommendation if it could be demonstrated that the rate of juvenile recidivism in Calgary was superior to that in Edmonton, where the municipal government did not run its own service.71 In fact the recommendation was withdrawn when the evidence of the superiority of Calgary’s service was reported. The supporters of Calgary’s municipal day cares hoped that a similar opportunity to prove their worth would be offered by city council. When the audit committee recommendations came before council later in May 1994, Alderman Hawkesworth “made a motion that we apply the same test or the same opportunity to all the other potential outsourced programs [as had been applied to Juvenile Probation]. That motion failed by one vote.”72

It is significant that the vote in council on this “stay-of-execution” motion was so close. It indicates that there was relatively soft support among Calgary’s elected politicians for Barb Scott’s vision of a revamped social services department.

It would be an understatement to say that the staff members at the municipal day cares were disappointed with the city’s decision to close or privatize their centres and with the process that led to the decision. Laurie Doyle, the senior planner at the Shaganappi Day Care, remarked that the staff at her centre “felt very devalued. They felt cheated because no one actually came here to interview staff or to compare our care to other people’s care. All they did was phone some private day cares and said, ‘What are your regulations? And what are ours?’ They didn’t compare quality at all. Quite angry. And disappointed.” In the view of a social services manager, the disappointment of the city’s child care workers was doubled when “they were not given the opportunity to demonstrate their effectiveness, etc. as the juvenile probation program was.”73

Part of the reason for the disappointment of city employees was that they were losing excellent jobs that would be very difficult to replace. Tammy Baldwin, a supervisor at Connaught Day Care, understood this. After graduating from Mount Royal College in 1985, she had been hired as a supervisor in a commercial day care. She soon learned that there were staff in that centre “who were very inappropriate with children.” She also “realized quite quickly that it was a very unrecognized field by society. I became very angry almost in a sense when I would hear that people would pay their cleaning lady ten dollars an hour but the most anybody was prepared to pay me to look after their children was five or
six, at that time. I felt very underpaid.” Within a year of her graduation in ECE, Tammy Baldwin left the field. She returned five years later when she got a job in a city-run day care. “Finally I really felt that I was making a difference because people appreciated what I was doing,” she stated. “I was able to learn from the people around me because they were all very professional and finally being paid appropriately for what I was doing. I would have to say that the last four and a half years for me working for the City of Calgary has been the very best part of my career in early childhood.”

Tammy Baldwin’s comments highlight the importance of Calgary’s municipal day cares as a model for employee compensation and treatment. Just as important, the day cares were models of quality care that made a huge difference in the lives of children and their families. As disappointed as Baldwin was at losing her own job in a city-run day care, she was even more disappointed in the needless loss of a service that made a real difference in day care in Calgary.

After city council’s decision in May 1994, the initial plan was for the city to continue its involvement in preschool child care until the end of 1996. The proposed transition period of approximately thirty months was somewhat shorter than the four years taken in Medicine Hat but probably would have allowed civil servants to organize the transfer of all of the city-run services (the three day cares plus the Shaganappi FDH program) to stable not-for-profit organizations. In late 1994, however, the processes of privatization in the two cities diverged sharply when Calgary announced it would end its support for lighthouse child care on 31 August 1995. In Medicine Hat, sympathetic members of city council worked in concert with municipal civil servants between 1993 and 1996 to ensure that the rich legacy of municipal involvement in day care was not entirely lost. This did not happen in Calgary.

Calgary hired a new director of social services in September 1994. Judy Bader came to her position from the Northwest Territories. She was praised by the staff in the day cares for pushing the city to offer an excellent severance package, including generous opportunities for counselling and retraining. However, she lacked the commitment of her predecessor to the city-run day cares and thus failed to insist upon a transition timeline that would have given a public institution, the YMCA, or a community association time to plan for a takeover of a service. A big difference between Medicine Hat and Calgary at this time is that none of the right-wing councillors in Medicine Hat pushed for the speedy closure or privatization of the municipal day cares while in Calgary, Alderman Scott was unsympathetic to any delay since she saw the end of the municipal day care.
system as unfinished business from the 1970s. The withdrawal date of 31 August 1995 conveniently fell just prior to Barb Scott’s retirement from municipal politics, meaning that Scott would not have to worry about a new council having second thoughts on the matter once she was gone.\textsuperscript{75}

On 31 August 1995, two of Calgary’s municipal day cares closed (Shaganappi and Connaught) while the third day care (Bridgeland) and the Shaganappi FDH program were taken over by organizations headed by groupings of staff. Bridgeland went to a new not-for-profit association directed by two former city employees, Christine Sheppard and Nora Capithorn. They reported working many nights until midnight on the details of the takeover, and even then they barely had enough time to get everything done by 1 September 1995. This is further evidence of the folly of the municipal government’s decision to end its involvement in day care on such short notice. All of the staff initially hired by Sheppard and Capithorn had formerly worked in city-run centres. The new, privatized Bridgeland Day Care paid them 35 percent less than the city had and offered no benefits. At first the CUPE local that represents Calgary’s inside workers continued to represent the employees of the privatized day care. In 1995 Nora Capithorn reported that the negotiations with the union had gone well; to facilitate the transition, the union waived the workers’ union dues for one year. By the end of the 1990s, however, the union had been decertified.\textsuperscript{76}

Calgary originally established its three municipal day cares in the 1970s as PSS projects in high-needs areas. The idealistic thinking at the time was that preschool children with readily identifiable special needs should not be ghettoized: PSS day cares should serve the full range of children in their communities. Another important feature of PSS day cares was that, guided by the insights of social work and ECE, they recognized and responded to a wide range of special needs in children.

By the early 1990s, however, much narrower definitions of prevention and special needs were at play. Laurie Doyle noted that although city aldermen professed concern for what would happen to the special needs children enrolled in the municipal day cares,

\begin{quote}
\text{they were looking at special needs children as just the ones with the visible handicaps. They weren’t looking at our special needs children who are children who have difficulty in any aspect of their learning, whether it’s their social skills or their cognitive skills, and they’re the ones who fall through the cracks, and nobody was interested in what happened to those children.}\textsuperscript{77}
\end{quote}
The truncated policy debate in Calgary between 1993 and 1995 centred on the question of whether high-quality day care for a clientele of predominantly poor children was a good enough reason for the provision of public subsidies. The same issue had been raised almost a decade earlier in Edmonton when the city began asking MADCs to become family resource centres and provide a range of preventive services, on top of high-quality day care. As was noted in the first part of this chapter, some of the MADCs were quicker to respond to the new expectations than others, but the city did not impose significant financial penalties on the recalcitrant centres in the 1980s. This changed in the mid-1990s.

Bending in the Political Wind of the Mid-1990s: Repackaging or Abandonment?

In both Medicine Hat and Calgary, the initiative for ending municipal support for lighthouse day care came from elected members of council. In Edmonton, however, the initiative came from municipal civil servants who argued that it was necessary to pre-emptively transform how the city spent money on preschool children rather than risk losing the money entirely. A further key difference between Edmonton and the other two cities concerned the strength of the lobby for continued municipal funding of day care. Although in the early 1990s Edmonton spent less money on day care than either Medicine Hat or Calgary, it spread its spending over eighteen MADCs compared to the three municipal centres funded by Calgary and the four by Medicine Hat. This meant that Edmonton had a fairly large group of parents, staff, and board members with a vested interest in continued city funding of the MADCs. In turn, this interest group benefited from the fact that advocates for quality child care played a much more important role in Edmonton’s civic culture than they did in either of the other cities. Among these advocates were city councillor Michael Phair, who was a former president of the AAYC, and the executive director of the Clifford E. Lee Foundation, Judy Padua.

A 1985 review of day care in Edmonton proposed that MADCs supply a range of specialized services (such as parent training) in addition to quality day care. The 1985 review was conducted shortly after long-time provincial civil servant John Lackey had become the general manager of ESS. In the late 1970s and early 1980s, the leaders of ESS presumed that their city had a duty to support lighthouse child care since the provincial government was doing so little to promote quality care. Lackey, however, came to the job with a provincial bureaucrat’s view
that cities had no jurisdiction over day care per se and with a relatively high opinion of the quality of commercial day care given that his wife, Barbel Lackey, was the owner-operator of a small commercial centre in Edmonton.78

Kathy Barnhart was hired as the manager of children’s services for the City of Edmonton in 1990. In a 1996 interview, she reported that from the time she started her job, the internal discussion in the department “has always been, ‘Why are we funding day cares?’” Furthermore, she indicated that there was a consensus among the managers in the department in the early 1990s that the MADC system could not be sustained because day care was no longer a city service. Their message to the existing MADCs was “You’ve got to do something different. You’ve got to package what you’re doing in a way that is going to be politically correct in order to save it.”79

Lana Sampson was hired as the executive director of the Edmonton Northwest Child Care Society in 1993. The society had opened a PSS day care in 1977 and later added an OOSC centre at a neighbouring school. It considerably expanded its scope in 1987 when it won the contract to manage integrated day care in the entire Edmonton region and later became the major agency in Edmonton organizing therapeutic and rehabilitative services for preschoolers with special educational needs. (This is the community preschool education program funded by the province’s education department.) In a 1998 interview, she recollected that “John Lackey told us four, five years ago, if you don’t start calling yourselves child and family resource centres you’re never going to get anywhere because as long as you continue to call yourself ‘day care,’ people are going to have this idea about what it is you do.” Her organization “jumped on it [John Lackey’s vision] immediately,” renaming itself “Community Options: A Society for Children and Families”; a second day care, started in 1997, was called a “Child and Family Resource Centre.”80

The recollections of Kathy Barnhart and Lana Sampson indicate that from at least 1990 and probably before then, senior municipal civil servants in Edmonton were uncomfortable with the orientation of the MADC program. This explains why ESS (renamed Edmonton Community and Family Services [EFCS] in 1989)81 never championed and advocated for the MADCs under John Lackey’s leadership the way that it had under Keith Wass and Ande Dorosh (see chapters 3 to 5). It also indicates that although situational factors in the early to mid-1990s are important to understanding what happened to Edmonton’s program of lighthouse day cares, the underlying impetus for change was a longstanding policy agenda of municipal civil servants.
There is a definite parallel between what transpired in Calgary and Edmonton: in both cities frustrated policy entrepreneurs took advantage of favourable situational conditions to launch attacks on municipally supported model day cares. In Calgary, the policy entrepreneur was the longest-serving alderman (Barb Scott) while in Edmonton, it was the leaders of Edmonton Community and Family Services (ECFS). However, while Alderman Scott utilized a VFM audit process in order to attack Calgary’s municipal day cares, Edmonton’s civil servants utilized a special preschool task force (PTF) to attack the existing system of MADCs. Hence the process in Edmonton was conducted in a more democratic forum than in Calgary, making for a more complex political struggle.

The first situational factor that affected the political debates over the future of MADCs in Edmonton was a growing interest among more senior levels of government in early intervention programs for children. The decision of Brian Mulroney’s federal government against pursuing a national child care program after being re-elected in 1988 created a policy vacuum in the area of children’s programs. It was filled by the Brighter Futures initiative, announced in May 1992. The inclusive-liberal philosophy of this initiative was that government programs for young children should assist children with the greatest needs instead of being universal in coverage. The Child Tax Benefit officially replaced universal family allowances as a means to redistribute income for the care of young children (Young 2000, 32). The second main component of the initiative was the Community Action Program for Children (CAPC), which provided funding for demonstration community-initiated early intervention projects aimed at high-risk children.

The governments of Canada and Alberta signed a protocol in August 1993 that made CAPC money available for projects in Alberta. It specified “that programs be targeted to children at risk because of factors such as low income, remote or isolated living conditions, youth or inexperience of parents, family breakdown and abuse or neglect.” Slightly over $4 million per year was promised for each of the first four years of CAPC in Alberta. At a time when the provincial government was slashing its spending on social services (including day care; see chapter 7), this modest investment seemed like a big deal to community groups and municipal governments. However, the first round of competition funded only twelve projects and exhausted $11.2 million of the $17.4 million that had been committed until 1997. These initial funded projects in Alberta were representative of the “crazy quilt of programs” that CAPC created across Canada. They included a play program for children staying at a women’s shelter in Lloydminster, programs
for teenage mothers in both Edmonton and Calgary, and parenting classes in Fairview and High Level. The sort of program that was most frequently funded, however, was Head Start preschools for children from disadvantaged families.82

The provincial government soon jumped on this bandwagon. In 1995 it began its own early intervention program and committed $50 million over three years, with half of the money reserved for Aboriginal programs. These policy initiatives indicated that early intervention and Head Start were as much in favour in Alberta as day care was out of favour. In 1998 Lana Sampson wryly observed, “If we [the MADCs in Edmonton] had all changed our names to Head Start we’d have nothing but money.”83

The second situational factor was the dire financial straits of both day cares and the City of Edmonton. Day cares were attempting to cope with the reductions in operating allowances that had begun in 1990 (table 7.1). Meanwhile, the city was faced with massive cuts in transfer payments as the Klein government attempted to eliminate the provincial deficit. The municipal assistance grant was cut by 77 percent over three years, starting in 1994, and the FCSS grant was decreased by 14 percent in 1994 as part of an 18 percent cut to Family and Social Services (Mansell 1997, 58). The reduction in the FCSS grant meant that ECFS had to cut either FCSS programs or other taxpayer-supported programs. In early 1995, Kathy Barnhart wrote, “Preschool day care, while seen as an important service in the community, is one service area that the Department proposed could be cut.” To compound the problem, the city received $4 million a year in flow-through federal funding that would disappear when CAP was terminated in 1996.84

In 1994 Maria David-Evans was the manager of the operations branch of ECFS. She was also a longstanding member of the board of the Clifford E. Lee Foundation. As a consequence, the leadership of the foundation was very well informed that municipal civil servants were not prepared to support the status quo when it came to the MADC program. Furthermore, the foundation was in the advantageous position of having the confidence of the directors of the MADCs because it had provided so many grants to these day cares over the years. It thus came to realize that the centres and the bureaucrats were, in the words of executive director Judy Padua, “on a collision course.” While the bureaucrats insisted on change,

a lot of them [MADCs] are reluctant to plan for it because they didn’t think it should happen. They ran a good centre, they had trained staff, they had needy children, they had families that needed them. They weren’t doing anything wrong

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and they had to have that money to continue to operate. So I think their strategy was just to try and convince the city that they shouldn’t change anything. And the city kept saying, we have to change things.

The leadership of the foundation believed that “the boards and the directors of the [municipally] funded centres were not prepared for what was going to happen when the City downsized... So we thought, these centres have to wake up to the fact that things are going to change big in the next few years, and they have to have a plan to do that.” Consequently, the foundation initiated and funded an extensive strategic planning process. Unfortunately, the process concluded with a summary of discussions and questions instead of a strategic plan.85

In April 1994, the Community Services Committee of Edmonton City Council requested that ECFS report back on the results of the MADC strategic planning. Kathy Barnhart prepared a fairly innocuous, brief report for the municipal politicians. She used the occasion, however, to make two recommendations that were designed to lead to the significant changes that the department advocated. The first was for the establishment of a PTF with a mandate that assumed the end of the MADC system as it then existed: the PTF was “to direct municipal funding to preventative services targeted at a broader range of children and families in poverty commencing January 1, 1996.” The second was for a review of the terms of reference of the Children’s Services Committee, which just so happened to be controlled by supporters of the MADCs.86

The MADC lobby correctly perceived these recommendations as an end run and tried to get city council to refer the recommendations “to the Children’s Services Committee and the Municipally-Approved Day Care Centres Association for their comments.” Left-wing councillors Tooker Gomberg and Sherry McKibben sponsored this amendment at the council meeting of 8 November 1994; the amendment lost by a vote of eleven to two. In the vote on the main motion to establish a PTF, only Gomberg voted in opposition.

Despite this vote, the MADC lobby continued to object to the process. For instance, on 21 November 1994, the executive director and board chair of one of the city-supported day cares, the Oliver School Centre, copied a letter of protest to all members of council. They accused the municipal bureaucrats of claiming to have consulted the MADCs on the idea of a PTF even though no such consultation took place. They then suggested that, rather than constitute a new task force, “the existing Strategic Planning Group continue and that other interest groups join in this already working body.” That same day, Lana Sampson of Edmonton
Northwest Child Care Society distributed a letter that made similar points using even stronger language. For instance, she argued “that the Department misled the Council by allowing them to believe the Department’s recommendations were somehow related to the Strategic Planning already in process, when in fact, the recommendations were a negation of what has been an exemplary exercise in community development that is actually yielding some constructive results.”

Apparently the lobbying had some effect, since the question of whether to proceed with the PTF was discussed at a city council retreat held on 23 January 1995. In briefing notes prepared for the retreat, ECFS reviewed the federal and provincial initiatives in the area of early intervention and concluded, “There is no question that early intervention strategies that help disadvantaged children get off to a good start are a wise investment for the municipality.” The PTF was presented as a way for the city to move in this direction, but the objections to the PTF at the council retreat were sufficiently loud that John Lackey felt it necessary to argue in favour of proceeding as planned in a memo to Mayor Jan Reimer dated 27 January 1995. Shortly thereafter, the department was given the go-ahead and the first meeting of the PTF was held on 15 February.

As part of its deliberations, the PTF considered the extent to which MADCs served children living in poverty. They relied upon data provided by the department and came to conclusions that were surprisingly superficial and biased. For instance, they used “number of subsidized families” as an indication of the number of low-income families in a day care when, because the “break-even points” for subsidy qualification were so low in Alberta at the time (table A.6), many of the unsubsidized families might well have been low income. Even then, however, only four of the sixteen MADCs had more unsubsidized than subsidized children.

More disturbingly, the MADCs were dismissed because many of their subsidized clients were students or welfare recipients. The department reported to the PTF that 21 percent of the spaces in the MADCs in May 1995 were occupied by children from student families and an additional 7 percent were occupied by children from welfare families, and that these two groups of children were subsidized by city taxpayers in the amount of $387,930. At the 4 May meeting of the PTF, Chair Doris Badir stated, “These two scenarios could be funded from other sources, i.e., Student Loans and Provincial Day Care Subsidies. The time has come for us to focus on how to redirect funding available for the benefit of children at risk.” Given that the MADCs were obliged to accept all applicants from subsidized families without discrimination, it is hard to fathom that these statistics were held against the MADCs. Furthermore, it is disturbing to see the
PTF engaged in the invidious exercise of distinguishing the deserving from the undeserving categories of poor children. Finally, it is fair to ask why the department did not break down the clientele of the MADCs by family status since many of those supposedly privileged children from student families would have been in female-headed, lone-parent families.89

The fact that the PTF wanted to end Edmonton’s support for model day cares (although certain day cares might secure funding for early intervention components of their programs) engendered some critical submissions in the late spring and summer of 1995. The most important written submissions received by the PTF came from two veteran advocates for quality child care. The first, from former AAYC president Eva Roche, was dated just a few weeks before her death from cancer. She argued for “retaining, and enhancing, models of quality day care as benchmarks towards which parents and the system can work.” In a classic defence of the lighthouse system, Roche asked: “If there are no quality day-care centres for parents to observe, how can parents demand good care for their children? What will be the incentive for centres to improve the quality of care they offer? How will they know what good day care is?”

The second submission was from Judy Padua on behalf of the children’s subcommittee of the Clifford E. Lee Foundation Board. She offered general support for concentrating city support on children living in poverty, but added, “It is of vital concern to us that low income families continue to have access to good quality child care and related programs and that a ‘critical mass’ of demonstration and ‘lighthouse’ centres continue to be assisted by the City, albeit a smaller number than is currently the case.” The reason for continuing to support such centres was that “such centres demonstrably have served to elevate the overall quality of childcare services to children in Edmonton.” In 1998 Judy Padua commented, “I can understand why people think you should only subsidize low income parents, but if you don’t in some way make the infrastructure survivable, you’re no help to the subsidized parents, there won’t be a service there to pay for.” She also noted, “Everyone steers away from day care. It’s got so much baggage attached to the name that they don’t look at it as a site where you might have 60 or 70 kids, many of whom come from families with lots of problems.”90

There is no evidence that these thoughtful defences of the lighthouse system of day cares were taken seriously by either department officials or the members of the PTF. The final report of the PTF made no mention of the need for lighthouse day care and did not even acknowledge that there was a plausible case for continuing to fund some day cares as model centres.
The recommendations of the PTF were presented to city council just after the October 1995 election that saw the defeat of three members of council’s left-wing (Mayor Reimer and Councillors Gomberg and McKibben). In Medicine Hat, a swing to the Right on city council in 1992 had been the decisive factor in the decision to end the municipal day care program. The 1995 municipal election results had no direct bearing on what happened in Edmonton, however, since the old council, like the new one, would have voted overwhelmingly in support of the PTF recommendations. Indeed, Sherry McKibben had been a member of the PTF and was an unequivocal supporter of those recommendations.

The MADCs were given a final year of transitional funding and then had the option, starting in 1997, of competing with other organizations for early intervention program funding through FCSS. In 1998, ten of the original eighteen MADCs received FCSS funding. Of the eight centres that no longer received city funding, some had voluntarily withdrawn because they did not have a large number of subsidized children and some “were told not to bother to apply.” One of the centres that continued to receive supplemental funding from the city was Edmonton Northwest/Community Options, which received an enhancement grant of $68,000 in 1998 for quality features of its day care that exceeded provincial licensing standards, such as a cook to provide breakfasts and hot lunches, and the requirement that all staff have an ECE diploma. That same year, the Community Day Nursery (CDN) received an enhancement grant of $74,000. It is noteworthy that these enhancement grants were each within $3,000 of the grant each day care had received from MADC funding in 1995 (ECFS 1995, 27). Therefore, although a new funding mechanism was in place, historical commitments to former MADCs were apparently being respected when those day cares served a high proportion of subsidized children.

Nevertheless, relations between the city and the MADCs were far from smooth in 1998. Key members of the Children’s Services Committee resigned after council accepted the recommendations of the PTF, the Children’s Services Committee was once again classified as a subcommittee, and, in the words of Lana Sampson, “the Children’s Services Sub-Committee somehow got lost in the shuffle and basically didn’t have a job to do anymore.” In turn, FCSS funding recommendations were turned over to the Community and Family Services Advisory Committee (CAFSAC). Whereas the members of the Children’s Services Committee had been relatively knowledgeable about quality child care and sympathetic toward the MADCs, some of the members of CAFSAC were neither knowledgeable nor sympathetic.
Edmonton Northwest/Community Option’s application for an FCSS grant for its main day care was approved without a hitch in both 1997 and 1998. Executive Director Lana Sampson was uneasy with how the city was proceeding at that time. She lacked confidence in the judgement of some of the members of CAFSAC and was disturbed by the cavalier way that CAFSAC had rejected Community Option’s application for a second FCSS grant in the 1998 competition.92

Lana Sampson also reported that some of the old MADCs were treated rudely when they presented their funding proposals to CAFSAC in late 1997. This surprised her “because we’ve had such a really good relationship with the Children’s Services Sub-Committee. These people were our friends. We were in this business together.... This was a longstanding relationship, twenty-five years.... We certainly don’t feel collectively the support or the commitment or anything else from this new order that was felt from the Children’s Services Sub-Committee, not by a long shot.”

One of the day cares that expected but did not receive collegial treatment was the CDN (renamed the CDN Family Support Centre to keep in step with the times), which was required to appear twice before CAFSAC in late 1997. According to the day care’s director, Mary Hull, CAFSAC members “drove home to us the importance of board and staff fundraising.” Their message was “Don’t ask us for money; apply to foundations.” She commented that the experience got under her skin since the general tone of CAFSAC was “you do it or else.” In Mary Hull’s view, something was wrong in the relationship between Edmonton and the MADCs in 1998: “All we’ve ever done is program enhancement. We’re preventive programs, we’ve always been that.” Yet, she added, “nobody has recognized what these day cares have done.”

Although the CDN received the same program-enhancement FCSS grant in 1998 as it had in 1997, Mary Hull was not particularly optimistic about the future prospects of the day care when I spoke to her in March 1998. The city had recently increased the day care’s rent by $300 a month (23 percent) and turned down a request for a grant to help the CDN pay for its rent and utilities. Furthermore, both the CDN and the Glengarry Day Care were under threat to begin paying municipal property taxes, something they had never done; for the CDN, the tax bill would have amounted to approximately $10,000 per year. Meanwhile the day care was having trouble coping with the decrease in provincial operating allowances since “we can’t in all conscience surcharge our parents” to make up for the loss in revenue; the parent surcharge had just been increased by $15 per month (to $65) in February 1998. Mary Hull also noted that the CDN was not attracting
any new Level 3 (ECE diploma) staff since the starting salary of $1,400 per month was so low. Most ominously, she reported that experienced, qualified workers were being paid far less in 1998 than they had been in 1978. “Maybe it is time for Community Day to close,” she said.93

At the time, I found this possibility to be improbable. The CDN had been the first day care in Alberta to receive provincial funding, and Mary Hull had been the first person in Edmonton to demonstrate how young children could learn through play in a group setting. Furthermore, the CDN continued to offer a superb program in the same converted city garage into which it had moved in 1966. Even if the members of CAFSAC seemed to have no sense of history and could not see the incredible community value of what had been happening at the CDN for over ten thousand days of operation, I fully expected some group to intercede and ensure that the CDN would continue.

But I was wrong. The CDN closed on 30 March 2001 after over thirty-five years of operation, including thirty-four and a half years with Mary Hull as the director. In the months before the closure, enrolment had fallen to approximately thirty children compared to forty-five children in 1998, fifty in 1995, and over sixty in the 1970s. The enhancement grant from the city had been cut to reflect the decline in the enrolment after 1998. Mary Hull commented at the time of the closure, “In this era of per capita funding and volunteer fundraising, the nursery could no longer make a go of it.”94

It is also fair to say that the CDN under Mary Hull’s leadership resisted playing the game expected of Hull by the city’s bureaucrats in the 1990s, and the day care suffered as a result. Hull’s daughter Rae captured this aspect of the CDN’s last few years in an astute newspaper commentary:

You were old-fashioned in some ways, sceptical of a bureaucracy and government that paid lip-service to those values you lived by every day. You winced at the introduction of programs that were resplendent in policy and process but bereft of true creativity or common sense. You stood firm. When you might well have benefited from becoming more proficient lobbyists, or creators of revenue-generating streams to augment critically short budgets, you knew what you did best. You were highly skilled and trained in the care and the development of tiny human beings entrusted to you.

The stories on the closure of the CDN called it “a very special place,” “a gem,” and a place of “magic.” Rae Hull even made the bold statement that the child
care provided by the CDN was done “as well as it has ever been done anywhere in the world.” The Community Day Nursery was indeed an exceptional centre and deserves to be remembered as one of the finest examples of day care in Alberta’s history.95

The CDN was one of the four former MADCs that folded between 1995 and 2005. However, fourteen of the eighteen original MADCs remained open in 2005, and nine of these centres received FCSS funding from the city that year. Indeed, the total of the FCSS grants provided to these nine centres in 2005 (about $859,000; see table 8.3) was not appreciably lower than the funding provided through the MADC program in 1995 (about $913,000). At first glance, one might be tempted to conclude that Edmonton continued to offer significant support to quality day cares in 2005 although it hid that support within a larger FCSS funding envelope. The reality is not quite so straightforward, however. Two points must be noted.

First, between 1995 and 2005, the share of city grants going to day cares fell from 37.4 percent to 9.5 percent. This was a period when the pot of money available for grants to social service agencies grew from $2.4 million to $9 million (table 8.3). The growth of funds was such that the municipal government could have reinstituted a modest lighthouse day care program (say, involving five day cares, each subsidized at $200,000) and still had plenty of new money for other agencies. The failure to take this step is confirming evidence that Edmonton stopped supporting lighthouse day cares because of policy convictions rather than mere financial exigencies.96

Second, although all of the money provided through MADC grants in 1995 went toward directly enhancing the quality of day care centre’s programming, most of the money provided through FCSS grants in 2005 went toward community outreach or family support programs. Indeed, only one of the nine day cares (Beverly) clearly specified that it was using some of its grant to enhance the quality of care in its day care (although the descriptions of four of the other funded FCSS projects were sufficiently vague that some of the money could well have been funnelled into their day cares). Therefore, my conclusion is that most of the FCSS money received by the nine former MADCs in 2005 was not going into their day cares. Thus, the City of Edmonton’s support for lighthouse day cares had ended in practice as well as in name.97

As was the case in Medicine Hat and Calgary, Edmonton’s decision to end municipal support for model day cares involved important local political actors and issues. At the same time, because Edmonton’s decision was made with the
TABLE 8.3 Supplemental Funding for Edmonton Day Cares, 1995 and 2005

<table>
<thead>
<tr>
<th>Centres with MACD funding in 1995 and FCSS funding in 2005</th>
<th>1995</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beverly</td>
<td>$99,999</td>
<td>$133,566</td>
</tr>
<tr>
<td>West End (City West)</td>
<td>$63,793</td>
<td>$107,115</td>
</tr>
<tr>
<td>Edmonton NW (Community Options)</td>
<td>$65,517</td>
<td>$126,232</td>
</tr>
<tr>
<td>Fulton Place</td>
<td>$58,621</td>
<td>$57,390</td>
</tr>
<tr>
<td>Glengarry</td>
<td>$73,275</td>
<td>$66,000</td>
</tr>
<tr>
<td>Jasper Place</td>
<td>$60,345</td>
<td>$119,512</td>
</tr>
<tr>
<td>Lansdowne</td>
<td>$68,965</td>
<td>$70,000</td>
</tr>
<tr>
<td>Oliver School Centre</td>
<td>$67,762</td>
<td>$110,416</td>
</tr>
<tr>
<td>Primrose Place</td>
<td>$43,103</td>
<td>$68,763</td>
</tr>
</tbody>
</table>

**Former MACD centres still open in 2005 but without FCSS funding**

<table>
<thead>
<tr>
<th>Centre</th>
<th>1995</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garneau/University</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Students’ Union (University of Alberta)</td>
<td>$47,790</td>
<td>$0</td>
</tr>
<tr>
<td>Oliver (Glenora)</td>
<td>$34,483</td>
<td>$0</td>
</tr>
<tr>
<td>King Edward</td>
<td>$15,000</td>
<td>$0</td>
</tr>
<tr>
<td>Hospitals and Community</td>
<td>$31,035</td>
<td>$0</td>
</tr>
</tbody>
</table>

**Former MACD centres closed in 2005**

<table>
<thead>
<tr>
<th>Centre</th>
<th>1995</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malmo</td>
<td>$10,560</td>
<td>n.a.</td>
</tr>
<tr>
<td>Community Day</td>
<td>$75,862</td>
<td>n.a.</td>
</tr>
<tr>
<td>South Edmonton</td>
<td>$55,172</td>
<td>n.a.</td>
</tr>
<tr>
<td>Grant MacEwan South Campus</td>
<td>$42,000</td>
<td>n.a.</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$913,282</td>
<td>$858,994</td>
</tr>
</tbody>
</table>

**Total FCSS funding, Edmonton**

<table>
<thead>
<tr>
<th>1995</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,444,537</td>
<td>$9,018,329</td>
</tr>
</tbody>
</table>

**% of total FCSS funding spent on programs run by these day cares**

<table>
<thead>
<tr>
<th>1995</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>37.4%</td>
<td>9.5%</td>
</tr>
</tbody>
</table>

**Sources:** For a list of MACDs in 1990: memo from David Gilbert to Kathy Barnhart, “Report of a Brief Visit,” 23 August 1990 (a copy of this document is available from the author). For funding in 1995: ECFS 1995, 27. For funding in 2005: “City of Edmonton 2005 FCSS-Funded Programs” (document, dated 9 February 2005, was downloaded from the City of Edmonton’s website and is available from the author).

End of CAP flow-through funding just around the corner, with the city already dealing with the Klein government’s cutbacks to municipal grants, and with funding for new federal and provincial early-intervention programs in place, national and provincial factors were referred to much more frequently in Edmonton than in the other two cities. This is partly because the national and provincial factors were somewhat more germane in 1995 than in 1992 (Medicine Hat) or 1994 (Calgary), but mainly because Edmonton’s bureaucrats faced stiff opposition in...
their move to end the MADC program and hence had to draw upon all available arguments in an attempt to make their case. Their basic argument was that funding for the MADCs would not survive for long in this new economic and political environment, and hence there was no choice but to consider an alternative. This turned out to be a very effective rhetorical move. However, in retrospect, it is easy to see how a scaled-down lighthouse day care program, along the lines suggested by Eva Roche and Judy Padua in 1995, could have survived in this environment if city bureaucrats had backed this option and worked with advocates to pressure city councillors. In the end, it was the determined actions of local political players in Edmonton, just as in Medicine Hat and Calgary, that constituted the primary impetus to end the city’s support for lighthouse day cares.

Ideological Commitment Rules the Day in Grande Prairie

Grande Prairie was an outlier among Alberta’s six major cities in 1991 because it spent next to nothing on child care. Indeed, its spending of $0.30 per capita was less than one-fifth of the per capita spending by the next lowest ranked city, Red Deer, and was only about 4 percent of the per capita spending by Medicine Hat (calculated from data in table 8.2). However, the city continued to be involved in model child care for preschoolers by operating an FDH program. This was a small, stable satellite program that never had more than twenty FDHs. Tanice Jones became the coordinator of the program in 1983 and stayed in that position until it closed in 1996. She indicated that the city maintained a high-quality standard by being very choosy about who to take on as FDH providers. “We really emphasize a lot the professionalism,” she stated in 1996, noting that somewhat less than 50 percent of the prospective providers who submitted formal applications were ultimately hired by the municipal program. She went on to explain what she looked for in a provider:

I’ve hired people who don’t think that their house is very nice and this kind of thing, but you know that they value child care very, very, very much. And they’re not just saying, “I love children.” Because a lot of times you get that, “I love children. I just think they’re the greatest.” And they go on and on and on and on. But somebody who truly, like you can tell, truly, truly thinks of this as very important work, you know, those are the type of people we are looking for. It’s a style, I guess that’s what it is. And it’s that professionalism. Like this is a job.
People that understand what the responsibility is of child care. Like they’re with those people’s children more waking hours that their parents are. The responsibility that they have in raising those children is so important. And the people who already know that are the people I am most interested in.

The city’s FDH agency was relatively well staffed compared to other agencies, with a coordinator and a home visitor who worked three-quarter time. This staffing for twenty or fewer homes meant that each home got a minimum of two visits a month, one of which concentrated on the provider and the other on the children.98

In 1995 Grande Prairie charged parents $18.75 per day for care in one of its day homes. In a month with twenty-one days of service, parents would be charged $393.75. Since the maximum available subsidy from the province for FDH care was $260 per month, low-income families with a full subsidy would be faced with paying the city $133.75 per month. Undoubtedly, some low-income parents pursued child care that was less costly than that offered by the city, but this was not a concern to municipal civil servants since their goal was to provide a model service and they always had an excess of applicants for the number of quality providers they could find. A large proportion of the families using the service made too much to qualify for subsidization and paid the full fee themselves.

Grande Prairie City Council voted to privatize its FDH program in early December 1995. It made this decision even though the program was hugely popular with citizens and was budgeted to return a surplus of more than $18,000 to city coffers in 1995, even after paying city administration costs of 9.5 percent. Therefore, unlike the situations in Medicine Hat, Calgary, and Edmonton, where spending reductions and ideology were intertwined concerns, in Grande Prairie, spending on model child care was never an issue. The privatization decision was made strictly on ideological grounds.

“It was a philosophical decision to get out of direct service delivery,” explained Grande Prairie’s FCSS administrator, Chris Henderson, in 1996. City council’s strategic plan “was not to be in direct service delivery if there was someone else in the community who could do it.” In line with this philosophy, Grande Prairie had turned over the ownership of hockey rinks to community groups and had stopped offering skating lessons because the Grande Prairie Figure Skating Club could assume that role. More significantly, in the mid-1990s, the city had contracted out the transit system bus driver jobs. The company who won the
first “Transit Operator Provision Contract” lost the contract to a lower bidder the next time it was tendered. Consequently, the privatization of the bus driver jobs resulted in a great deal of disruption in the lives of the workers, in addition to downward pressure on their salaries and benefits. The closing of the city satellite FDH agency created similar disruption in the lives of children, parents, and providers. City council went ahead with its decision even though it acknowledged that the program was superior to other programs in Grande Prairie, and even though parents had “pleaded to council to keep the program because it was operated so successfully by the City.”

Grande Prairie’s satellite FDH agency was a true model program. Over the years, it had willingly provided guidance to people in other communities who wanted to establish quality FDHs. Chris Henderson explained that if anyone phoned her for advice on how to proceed, she asked them to come to Grande Prairie “to work with us for a week.” Furthermore, both the providers and the parents in the program were very well educated about what constituted quality child care. The loss of this education role worried Tanice Jones in 1996: “As much as we educate these parents, they’re going to go away and people are going to become used to a standard that’s not quite as high as they could get if they pushed, but if they don’t know what to push for ...”

The City of Grande Prairie had helped to build a strong system of PSS day cares in the 1970s. In the mid-1990s, however, Grande Prairie lagged behind other large Alberta cities in its commitment to social services. For instance, it was the only one of the six large cities that did not qualify for a flow-through payment from CAP in 1995. This indicates that Grande Prairie, unlike the other cities, was spending not a nickel more on preventive social services than it had to in order to qualify for the maximum FCSS grant from the province. Indeed, a number of smaller communities such as Banff and Fort Saskatchewan received flow-through payments that year, indicating that Grande Prairie was out of step with the priority that most Alberta municipalities placed on social services.

The End of an Era

By 1997 only Red Deer among Alberta’s largest cities still maintained a program that explicitly supported lighthouse child care for preschool children. Specifically, the city provided over $125,000 per year to enhance the quality of care in the two day cares that had been municipal centres in the 1980s. With
other Alberta cities abandoning their lighthouse programs in the early to mid-1990s, it is understandable that the future of Red Deer’s program was called into question. Debates ensued and finally, in late 1999, Red Deer City Council voted by a six-to-three margin to begin reducing the subsidy in 2001, with a targeted date for elimination being 2004.

In opposing the decision, Councillor Larry Pimm argued, “If we have done it for 18 or 20 years, we can continue to do it. We can find the resources.” Of course, he was correct since the amount being spent by Red Deer on day care in 1999 was relatively small ($133,000, or $2.08 per capita). But what Pimm failed to acknowledge was that the politics of day care in Alberta had changed markedly over the two decades since the province had unilaterally assumed control of the provincial day care system. In 1981 municipal social services departments had a great deal of expertise in quality day care, and city councils were enthusiastic about doing something to demonstrate the inadequacies in the province’s new day care system. Yet by 1999 municipal expertise in child care had eroded because civil servants had moved to new jobs or retired, and day care had long been surpassed as a key issue of contention in provincial-municipal relations. On top of this, as noted at different points in this chapter, the movement for quality child care was fairly quiescent in the 1990s. In light of these factors, perhaps the most surprising aspect of the decision in Red Deer was that it did not happen sooner.

The end of Alberta cities’ support for lighthouse day cares and FDH programs was a definite setback for the movement for quality child care. It resulted in the closure of some wonderful programs such as the CDN in Edmonton, the Connaught Day Care in Calgary, and Grande Prairie’s satellite FDH program. It also meant that the surviving centres had to make do with less as they struggled to offer the best possible care to their children. They still served as lighthouses, but not all of their lights burned quite as brightly without the support of municipal governments.

The lighthouse model is not completely dead in Alberta. The small municipalities of Beaumont and Jasper have operated municipal day cares for many years, and in 2008 Drayton Valley opened its own ECD centre. Furthermore, a number of not-for-profit organizations (such as post-secondary institutions and churches) partially subsidize the cost of particular day cares. Nevertheless, these examples are isolated and have nothing like the impact that Edmonton’s eighteen MADCs or Medicine Hat’s five municipal day cares once did.

At the end of the 1990s and into the first decade of the new millennium, Alberta’s cities and towns still had the option of supporting OOSC in their
communities with PSS funding. In 2005 there were fifty-six OOSC programs throughout Alberta, funded jointly by the province and municipalities through FCSS. Municipalities had the authority to develop their own OOSC regulations that had to be followed for an OOSC centre to be eligible to enrol subsidized children, and Alberta’s largest five cities had developed such regulations. However, in September 2008, the provincial government introduced an income-tested provincial subsidy system for OOSC. This brought to an end more than four decades of power-sharing collaboration on child care between the province and municipalities. The finality of municipalities’ exit from governance responsibility for child care was demonstrated when Calgary announced that it would be closing its Community and Child Care Standards Unit on 31 August 2008.