

# Limiting for-profit child care key to quality care <sup>[1]</sup>

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## AVAILABILITY

### EXCERPTS

The Ontario Coalition for Better Child Care is Ontario's central advocacy group for a universal, affordable, high quality, public and non-profit system of early childhood education and care.

The Ontario Coalition for Better Child Care has long held the position that the best place to expand child care is in the public and non-profit sectors. For years we have called on all parties to support a moratorium on licensing new for-profit child care centres. This issue is so crucial to the responsible expansion of child care that we made it one of our 3 Big Ideas on Child Care: affordable fees, decent work and limiting for-profit child care.

This position is based on evidence not ideology. There are at least two important reasons why child care should not be operated on a profit basis.

First, international research has consistently found that for-profit child care tends to be poorer quality. Research shows ownership is one key important factor determining quality through its links to wages, working conditions, staff training, staff turnover and morale, staff harshness and sensitivity, staff-to-child ratios and group size. Even when controlling for licensing standards and funding levels, a non-profit and public advantage remains.

Second it is inefficient to spend public child-care dollars to increase private profits. Australia provides a cautionary tale. In Australia, when public funding was extended equally to non-profit and for-profit programs, a single corporate child care chain, ABC Learning, grew into a virtual monopoly in Australian child care. When ABC Learning collapsed in 2008 and filed for bankruptcy, the government was on the hook for \$22 million in addition to the massive public funds ABC had already absorbed. During its time dominating Australian child care, ABC provided dubious quality, poor access for low-income and special-needs children, continually raised parent fees and actively lobbied against quality improvements.

Limiting for-profit child care is key to the responsible expansion of child care in Ontario. Any party looking to build a high quality child care system in Ontario must be willing to grapple with this issue.

### Related link:

**Region:** Ontario <sup>[2]</sup>

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