

# Day care policy at centre of heated debate [CA]<sup>[1]</sup>

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## EXCERPTS

On the precipice of major change, Canada's day-care system is an industry in transition.

But even with the injection of \$5 billion in new federal funding over five years for early learning and child care, day-care offerings continue to vary from province to province.

Despite the massive federal infusion through a series of bilateral agreements - being welcomed by virtually all players in the sector - factors affecting quality and access in Canadian child care programs fluctuate largely due to provincial policy directions, say some industry observers.

"There's a huge amount of work to be done," says Martha Friendly, a policy researcher on early learning and child care for the University of Toronto's Childcare Resource and Research Unit (CRRU), which promotes universal, publicly funded, not-for-profit early childhood education and care.

"We have provinces and the federal government saying they want to do this. But what are the details? There needs to be collaboration."

Meanwhile, many for-profit day-care operators specializing in providing services to corporate Canada see the need for an immediate expansion of their services.

Ready, Steady, Go opened in the fall of 2003 to provide corporate child care services exclusively to the employees of retail sporting giant The Forzani Group Ltd. at its Calgary head office.

Owner-operators Barb and Robbie McKee say their for-profit day care has a waiting list - "we've been operating less than two years and already the demand exceeds the supply," notes Robbie. They have already received a number of unsolicited inquiries about expanding.

In Toronto, Kids & Company, an operation started in 2002, has grown from one centre in Toronto to a point where it now bills itself as Canada's largest corporate child care firm.

It will soon have nine outlets in Toronto, up from seven, and has just opened one in downtown Ottawa with plans for a second in neighbouring Kanata. It has openings set for Waterloo and Calgary next month.

"In Calgary, we signed up 10 or 12 oil and gas clients we've never had as clients before," says founder Victoria Sopik.

Kids & Company offers parents three options: Full-time, part-time and backup day care, the latter the ability to bring in a child when an unexpected situation arises and the primary caregiver is unavailable.

It also provides parents with portability - if they're registered with them and need to travel to another city where Kids & Company operates, the child's spot can be transferred to the new location for the duration of the trip.

However, as details emerge on the federal funding deals with the provinces, some childcare experts are stressing that the emphasis for new day-care spaces should be placed on increasing the numbers in the public, not-for-profit system. They point to studies illustrating that not-for-profits come out on top when compared to their for-profit counterparts.

One of those studies, The Quality Gap, a look at non-profit and commercial child care centres in Canada done in December 2004 by the University of Toronto's Gordon Cleveland and Michael Krashinsky, says on average there appears to be a substantial difference in quality between commercial and non-profit centres.

"This is not to say that every non-profit has higher quality than every for-profit centre; what we have is two overlapping distributions of quality in these two types of centres," the study notes.

"However, for-profit centres are disproportionately represented among the lower-quality classrooms and non-profits are disproportionately represented among the better-quality classrooms," the study says.

For-profit day-care owners such as the McKees counter that they're in the business because it offers a choice for parents and because they

care about the children.

"Absolutely not," says Barb McKee, when asked if she is in the business for the monetary aspects. "I hold my breath month to month. It's something I've been doing for 24 years (working in the industry), something I believe in. We set the fees to cover the food, (employee) salaries and insurance and to cover my salary, but that's it."

He notes that Alberta was right to insist that its share of federal funding should be allowed to be applied to both for-profit and non-profit day cares.

The federal deals, already signed with Alberta and Ontario along with Saskatchewan, Manitoba, Newfoundland and Labrador and Nova Scotia, are part of what Ken Dryden, Canada's minister of social development, calls "major milestones" that will move the country toward a national vision for early learning and child care.

British Columbia will also become part of that vision with a bilateral agreement expected to be signed in the coming weeks.

As part of the agreements, all guided by the QUAD principles - quality, universal inclusiveness, accessibility and development - each province must come up with an action plan on early learning and child care.

Ontario's action plan, released at the end of July, says \$1.1 billion from the first three years of its deal with Ottawa will allow it to expand the number of licensed child care spaces by approximately 25,000 by the end of 2007-08.

In Alberta, an action plan is to be released this fall following consultations with industry and the public that have been undertaken this year.

At least one union, however, has expressed concern that Ottawa's deal with Alberta will pave the way for the introduction of "big-box" child care.

The Alberta division of the Canadian Union of Public Employees (CUPE) says that with Alberta being the first province to stipulate that money may be directed to for-profit operators, it has propped open the door to giant commercial chains to secure investor rights under trade agreements such as the North American Free Trade Agreement and the World Trade Organization's agreement on services.

- reprinted from Business Edge

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

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