

Public school board rejects company's bid for space ^[1]

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EXCERPTS

Canada's only publicly traded daycare company lost a bid Tuesday to rent space in Edmonton's public schools.

Public school trustees voted to change the district's rental policy to exclude any child-care corporation that trades on the stock market. Trustees did so out of concern for local community day cares, and the scale and stability of the service.

Leslie Wulf, CEO of Calgary-based Edleun Inc., told the board his company was no different than the small, private operators already renting space in Edmonton public schools, "except I can raise millions on the stock market."

Wulf said he has invested \$35 million in Alberta acquiring and building centres. "We are about quality," he insisted.

In Edmonton public schools, about half the day-care operators are small, for-profit businesses and half are non-profit centres. The private operators pay higher rent.

Edleun owns 22 centres in Alberta, including three in Edmonton, and recently bought six in British Columbia. The company hopes to expand to own 10 per cent of the country's day-care spaces in the next six years, company documents say.

Trustee Sarah Hoffman said the district's rental policy should exclude investor-owned care companies. Instead, the board should be an advocate for providing early child education as a public service, not a profit-making opportunity for shareholders.

Trustee Catherine Ripley disagreed, saying that as a public board, school buildings must be open to all segments of the community, including corporations traded on the stock market.

"There are plenty of ethical corporations and why would we not want them supporting our families?" she said.

Board chairman Dave Colburn argued the board should give priority to local providers. The board also wants to avoid the instability that can occur when large companies go bankrupt, he said. That happened in Australia when ABC, which owned 2,400 child care centres, went under in 2008, disrupting service to thousands of families.

"With small local operators, we avoid that problem," Colburn said. Wulf assured the board that his company operates differently from ABC and would not run into the same financial problems.

Wulf later said he wasn't surprised by the decision and has no plans to approach any other school board for rental space, even as he expands into B.C.

"I don't need the politics," Wulf said, adding there are other opportunities to rent space.

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