

### Child care by default or design?

# An exploration of differences between non-profit and for-profit Canadian child care centres using the *You Bet I Care!* data sets

This summary is based on Child care by default or design? An exploration of differences between non-profit and for-profit Canadian child care centres using the You Bet I Care! data sets (2002) by Gillian Doherty, Martha Friendly and Barry Forer, published by Childcare Resource and Research Unit, University of Toronto. It is available in print and on-line at <a href="https://www.childcarecanada.org">www.childcarecanada.org</a>>

### Introduction

The issue of auspice in child care has been debated in Canada for many years and for several reasons. One reason for this is the consistent research finding that commercial child care centres as a group obtain lower ratings for overall program quality as measured by standard observational scales than do non-profit centres. Other reasons include the belief that essential services such as child care should be publicly operated, and concerns about ensuring accountability for the use of public funds if they are flowed to commercial operators. This study explores the issue of auspice from the perspective of program quality.

Two broad explanations have been suggested to explain the between-sector difference in quality. First, non-profit centres have greater access to government funds and to free or subsidized space and/or utilities and therefore have higher levels of resources with which to provide a quality program.

Second, non-profit and commercial operators have different goals that permeate the organization and lead to between-sector differences in organizational structures, behaviours and characteristics. Each of these is believed to influence quality level.

### **Findings**

This study used data from the two centre studies in the You Bet I Care! project 1 to examine the two hypotheses above and also to explore whether the level of quality in a centre is influenced by the interplay between the auspice of the centre and the provincial or territorial context in which it operates.

### It found that:

 The non-profit sector's greater access to resources is not sufficient in itself to explain the between-sector differences in quality levels, although greater access to resources does appear to assist non-profit centres to provide higher quality programs. Even when the playing field is leveled in terms of centres' access to government operating grants and to free/subsidized space and/or utilities, non-profit centres as a group obtain higher quality ratings as measured by the Caregiver Interaction Scale (CIS), 2 the Infant/Toddler Environment Rating Scale (ITERS), 3 and the Early Childhood Environment Rating Scale - Revised edition (ECERS-R).4

- There are between-sector differences in organizational structure. Non-profit centres provide their staff with greater clarity regarding their roles, responsibilities and rights through written documents and formal procedures and also provide directors and parents with greater opportunities to influence policy and program decisions.
- The above noted between-sector differences in organizational structure are reflected in between-sector differences in quality ratings. In particular, the nonprofit sector's provision of greater clarity for staff is associated with significantly higher quality ratings on both the ITERS and the ECERS-R.
- Commercial centres as a group tend to behave in ways that make it harder for them to provide the type of program that supports children's development. Even when the playing field is level in terms of access to government funding and to free/subsidized space and/or commercial centres hire directors and staff with lower levels of ECCE education than do non-profit centres, provide less support for staff to engage in professional development, pay lower wages, expect each teacher to be responsible for a larger number of preschoolers and are less likely

- to engage in the identification of formal goals for their program.
- Commercial centres have characteristics that work against the provision of quality care, for example, they have significantly higher rates of teaching staff turnover.

In summary, the lower level of quality found in the commercial sector as a whole is not simply a reflection of the non-profit sector's greater access to resources but is related to between-sector differences in organizational structures, behaviours and characteristics. The finding that in some circumstances contextual factors may change the way in which auspice influences quality illustrates potentially important the role that government regulations and funding may have, for example, through the level of teaching staff ECCE education level required in all centres.

Due to small sample sizes it was only possible to examine the interplay between auspice and the provincial context in which the centre operates in two provinces - Alberta and New Brunswick. Consistent with the findings, quality was lower in the commercial sector in Alberta as were teaching staff ECCE education levels and wages. However, in New Brunswick, commercial and non-profit centres obtained virtually the same quality ratings, hired very similar proportions of untrained teaching staff and teaching staff with a two-year ECCE credential, and paid similar wages. These intriguing findings suggest the possibility that under certain circumstances, contextual factors may modify the influence of auspice. In New Brunswick at the time of data collection there were no government operating grants, no regulations requiring teaching staff to be trained, and low

average family incomes which forced centres to keep fees and hence wage levels low. This context appears to both permit and force centres in both sectors to rely heavily on untrained, poorly paid staff.

The Alberta situation suggests that auspice becomes more important in a situation of low ECCE education requirements for teachers but fairly high average family incomes. Centres that so wish can still rely on staff with minimal training and pay them low wages but other centres wishing to recruit and retain staff with higher levels of ECCE education can charge higher parent fees and pay higher wages.

### Discussion

The Early Childhood Development Initiative (ECDI), agreed to by Canada's First Ministers (with the exception of Québec) in September 2000, explicitly states that its purpose is to promote the optimum development of all children during the prenatal period and first six years of life. This position is consistent with the policy statements made by the federal and provincial governments in 1999 when outlining a vision for a National Children's Agenda.

To what extent is access to the type of child care that supports children's development available to the children who are regularly involved in non-parental care while their parents work or study or, indeed, to all children? There is a strong body of research documenting that high quality child care is associated with higher levels of school readiness and better performance in elementary school.5 Thus, in addition to assisting families to be self-sufficient through enabling parents to work, high quality child

care is a foundation for lifelong learning and an investment in Canada's future workforce.

However, although it is abundantly clear that accessible high quality child care benefits society as a whole, Canada continues to rely on a private market model approach to the provision of what is an essential public good. The responsibility for the development and of child implementation care services continues to remain with business operators, voluntary boards of directors, and parent groups. Québec is the only jurisdiction in Canada with a specific strategy for the development of a coherent system of early childhood care and education services. The absence of comprehensive long-term planning in the rest of Canada generally means that child care services continue to emerge in an ad hoc fashion. Both availability and, as the YBIC! project shows, quality, differ markedly among jurisdictions.

One key element that has been missing from Canadian ECEC is systematic, sustained, coherent planning for quality improvement. But a systematic approach requires a Canadian shift from child care to default to child care by design - from a market model to a public, purposeful approach.

The present study of auspice - or who runs the service - reinforces and amplifies previous research that has consistently suggested that child care services operated for-profit are less than likely to deliver the high quality care environments in which young children will thrive. This very much fits with the idea that a market model for child care is less than adequate for giving children the best start in life.

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### **NOTES**

- <sup>1</sup> Doherty, G., Lero, D.S., Goelman, H., LaGrange, A., andTougas, J. (2000). You Bet I Care! A Canada wide study on wages, working conditions, and practices in child care centres. Guelph, Ontario: Centre for Families, Work and Well-Being, University of Guelph.
- <sup>2</sup> Arnett, J., (1989). "Caregivers in day care centres: Does training matter?" *Journal of Applied Development Psychology*, 10: 541-552.
- <sup>3</sup> Harms, T., Cryer, D., and Clifford, R. M. (1990). *The Infant/Toddler Environment Rating Scale*. New York: Teachers College Press.
- <sup>4</sup> Harms, T., Clifford, R. M. and Cryer, (1998). *The Early Childhood Environment Rating Scale Revised*. New York: Teachers College Press.
- Doherty, G., (1996). The great child care debate: The longterm effects of non-parent care. Childcare Resource and Research Unit, Centre for Urban and Community Studies, University of Toronto.
- <sup>5</sup> Peisner-Feinberg, E. S., Burchinal, M. R., Clifford, R. M. Culkin, M. L., Howes, C., and Kagan, S.L. (1999). *The Children of the Cost, Quality and Outcomes Study Go to School*, Executive Summary. Chapel Hill, NC: Frank Porter Graham Child Development Center, University of North Carolina at Chapel Hill..

## ABOUT THE CHILDCARE RESOURCE AND RESEARCH UNIT

The Childcare Resource and Research Unit at the Centre for Urban and Community Studies, University of Toronto, is a policy and research oriented facility which focuses on early childhood care and education. CRRU provides public education and policy analysis; consults on child care policy and research; publishes papers and other resources; maintains a comprehensive resource collection and computerized catalogue; and provides online resources and research through its website (www. childcarecanada.org).

### SELECTED PUBLICATIONS

### Occasional paper series

- 1 Child care for Canadian children and families: A discussion paper (1993)
- 3 Work-related child care in context: A study of work-related child care in Canada (1993)
- 4 Rural child care in Ontario\* (1994)
- 5 Child care: Canada can't work without it (1995)
- 6 A sociological examination of the child care auspice debate (1995)
- 7 The great child care debate: The long-term effects of non-parental child care (1996)
- 10 How should we care for babies and toddlers? An analysis of practice in out-of-home care for children under three (1999)
- 11 Child care and Canadian federalism in the 1990s: Canary in a coal mine (2000)
- **12** More than the sum of the parts: An early childhood development system for Canada (2000)
- 13 Women, citizenship and Canadian child care policy in the 1990s (2001)
- 15 Targeting early childhood care and education: Myths and realities (2001)
- **16** An integrated approach to early childhood education and care: A preliminary study (2001)
- 17 Reforming Québec's early childhood care and education: The first five years\* (2002)
- **18** Child care by default or design? An exploration of differences between non-profit and for-profit Canadian child care centres using the *You Bet I Care!* data sets (2002)

### Other publications

- The benefits and costs of good child care: The economic rationale for public investment in young children\* (1998)
- Early childhood education and care in Canada 2001 (5<sup>th</sup> ed., 2003)

### Fact sheets and summaries

- Child care vouchers: What do we know about them? (1997)
- Public policy context of child care: The issue of auspice (1997)
- Is child care a good public investment?\* (1998)
- A framework for quality: A European perspective (1999)
- The rights of young children (1999)

### **BRIEFing NOTES**

- More than the sum of the parts: An early childhood development system for Canada (2000)
- Early childhood development services: How much will they cost? (2000)
- Targeting early childhood care and education: Myths and realities (2001)
- Executive summary: Starting Strong Early Education and Care.
  Report on an OECD Thematic Review (2001)
- Is this as good as it gets? Child care as a test case for assessing the Social Union Framework Agreement (2002)
- Building a firm foundation for lifelong learning: The importance of early childhood education and care (2002)
- Ontario's spending for regulated child care, 1942-2001 (2002)

### Videotapes

- In the public interest: The benefits of high quality child care\* (1997)
- Child care by design (1995)
- \* Indicates item available in French.