

# occasional paper

# 31

## **A bad bargain for us all: Why the market doesn't deliver child care that works for Canadian children and families**

Martha Friendly

May 2019



[childcarecanada.org](http://childcarecanada.org)

A bad bargain for us all:  
Why the market doesn't deliver child care that works for  
Canadian children and families

Martha Friendly

Occasional Paper No. 31

May 2019

24 pp.

ISBN: 978-1-89 6051-66-6

Childcare Resource and Research Unit

225 Brunswick Avenue

Toronto ON M5S 2M6, Canada

TEL: 416-926-9264

FAX: 416-971-2139

EMAIL: [contactus@childcarecanada.org](mailto:contactus@childcarecanada.org)

WEBSITE: [www.childcarecanada.org](http://www.childcarecanada.org)

This Occasional Paper No. 31 is available from the Childcare Resource and Research Unit in an online format only: <http://childcarecanada.org>

# **A bad bargain for us all: Why the market doesn't deliver child care that works for Canadian children and families**

The child care market is a way of describing a situation in which the state has relatively little influence on or interest in how services for young children are set up, maintained and delivered (Helen Penn, 2012).

## **A never-ending story**

The idea that the struggle for universal child care in Canada is a “never-ending story” resonates with many who have analyzed it. Political economist and comparative researcher Rianne Mahon, who described it as a “never-ending story”, observed: “On the one hand, there is a stubborn and persistent need for good-quality child care linked to the high labour force participation of mothers. [...] On the other hand, there are barriers that continue to block the development of an accessible, high-quality, publicly funded child care system” (Mahon, 2000: 2). While many of today's young parents seeking high quality, affordable child care for their own young children are unaware of the issue's longevity, the picture of Canadian child care has been a dismal one for more than forty years.

While good access to regulated child care requires both an adequate number of spaces and fees that parents can afford, neither exists across Canada today. Despite accelerated service expansion between 2014 and 2016, regulated spaces still covered only 27.2% of 0-12 year olds, and coverage was only slightly better for 0-5 year olds at 28.7% in 2016

(Friendly, Larsen, Feltham, Grady, Forer &, Jones, 2018). The data also show that although public funding continued to grow fairly modestly in the last few years, Canada's public spending for ECEC still remains quite limited when compared to families' need for child care and with international benchmarks. The effects of this on families' access to child care can be observed not only in the inadequate supply of spaces but on parent fees, which remain too high to be called "affordable" in most provinces and continue to rise faster than the rate of inflation (Macdonald & Friendly, 2018).

Although there is good evidence that the quality of early childhood education and care has a significant impact on children's development (for example, see Shonkoff & Phillips, 2000), quality is also a matter of concern in Canadian child care. There are multiple quality issues identified: basic health and safety concerns in unregulated—sometimes illegal—child care, while the poorer quality for-profit regulated sector makes up almost one-third of spaces across Canada (Friendly et al, 2018). Although in regulated services, child care workforce characteristics are the single most important factor linked to quality, Canada's low wages and poor recognition of the value of the work contribute to problems recruiting and retaining well-trained early childhood educators, while provincial/territorial ECE training requirements are generally below recommended international benchmarks (UNICEF Innocenti Research Centre, 2008). The last available cross-Canada data on the child care workforce's wages showed that by 2013, they had risen by only \$1.14 (in constant dollars) from the most recent previous national survey in 1998 (Flanagan, Beach & Varmuza, 2013).

These are not merely abstract policy issues but have significant effects on families. *The Globe and Mail's* Erin Anderssen described the situation

from a family perspective:

Women race to get their names on waiting lists when the stick turns blue on the pregnancy test, fingers crossed that they'll win the future "daycare lottery" and get a spot that makes it possible to work, while being assured that their children are safe. Young families, especially in cities such as Vancouver, where the cost of care is highest in the country, feel they are being priced out of parenthood (Anderssen, 2013).

Since the Government of Canada's re-engagement in early learning and child care following the 2015 federal election, the child care community's response has been one of cautious optimism and looking forward to new possibilities. Consistent with its election commitment, the Liberal government released the Multilateral Early Learning and Child Care Framework (MLF) on June 12, 2017 and the 2017 federal budget laid out an accompanying 11 year funding allocation. The MLF commits the federal government and provinces/ territories to collaborate to achieve five principles: Accessibility, affordability, quality, inclusivity and flexibility. The Framework forms the basis for a series of bi-lateral agreements between the Government of Canada and each province/territory; the agreements each include an Action Plan designed by each province/territory with regard to the federal transfer funds (Child Care Now, 2019). The MLF was followed by a separate Indigenous Early Learning and Child Care Framework negotiated between the federal government and Indigenous groups, finalized in 2018.

White and Friendly have described the poor access and weak quality that are the norm not only in Canada but in other developed coun-

tries that chiefly rely on the market for child care, contrasting these to countries that provide more publicly-managed, publicly-funded, often publicly-delivered child care systems that are much more universal in approaches that serve most young children (2012). These differences can be seen quite clearly in UNICEF's 2008 analysis of 25 countries that shows that the top ranked countries on ten quantified access and quality benchmarks are those whose child care is much more publicly-funded and publicly-managed (Sweden, Finland, Iceland, France), while the most marketized countries ranked from the lower middle (the UK and US) to the very bottom (Australia, Ireland and Canada) (UNICEF Innocenti Research Centre, 2008, Figure 1). This is consistent with less graphic, specific evidence about the challenges and pitfalls of approaching child care as a private responsibility and a market commodity.

Canada—one of the most prosperous OECD countries—is regularly rated poorly in international comparisons of ELCC provision, remaining squarely among the few OECD countries that have still not developed a national implementation plan or program for helping families care for and educate its youngest citizens (OECD, 2006; UNICEF, 2008; *The Economist*, 2012). Although there are some key differences among Canada's provinces/territories in how ELCC is designed, delivered and funded, it is evident that at a high level, Canada's provinces and territories are more similar than they are different, and that, overall, ELCC is not working very well anywhere in Canada including Quebec (Friendly, Prentice and Ballantyne, 2018; Cleveland, 2018).

More than 40 years on since the Royal Commission on the Status of Women recommended a “national day-care” Act, Canada still lacks a publicly-managed, publicly-funded child care **system**. Rather than a coherent system, a child care market—“a situation in which the state

has relatively little influence on or interest in how services for young children are set up, maintained and delivered rather than a public or publicly-managed system based on the ideas of communal obligations and social citizenship” (Lloyd & Penn, 2012: 19) describes the Canadian child care experience to date. Rather than building a public, or publicly-managed system, market forces and consumerist approaches shape, create, maintain, deliver and finance Canadian child care. In every part of Canada, federal and provincial government policy or its absence has encouraged reliance on the child care market.

This paper is intended to promote and stimulate public and policy debate by highlighting the range of issues associated with relying on a child care market. It shines a light on a critical question that is fundamental to debate about child care in Canada: Is child care a public good or is it a private responsibility? It examines in some detail the broad concept of a marketized approach to child care and the practical implications of what relying on the market means for families, children, educators, the larger society and the public purse.

## **Is a market model a good way to develop, manage and fund child care?**

In 2007, the news that an overseas child care giant was setting up in Canada shook the early childhood community. Brisbane, Australia-based ABC Learning Centers had established a near-monopoly in Australian child care, then gone on to diversify by setting up a host of ancillary services and linked companies and going global. The firm bought out several large child care corporations in other countries and began establishing a global conglomerate of ABC/123-branded child care operations

including Canadian and British brands, respectively 123 Busy Beavers <sup>1</sup> (Monsebraaten, 2008) and 123 Busy Bees.

For the Canadian early childhood community, the incursion of what came to be called “big-box child care” raised (re-raised, as the issue of for-profit child care had long been debated in Canada)(Prentice, 2000) a number of fundamental questions about whether a market model is a good way to approach early childhood education and child care: Is child care a public service or a private responsibility? Is Canadian child care funded in the right way? Is it effective to rely on parent and voluntary groups to initiate and develop child care services? Should there be more public management and planning? Is it ethical to treat child care as a market commodity? At the same time, as other countries have experimented with elements of child care marketization—some of them to a much greater extent than has Canada—evidence about the comparative effectiveness of child care markets and public management in child care has begun to accumulate from the comparative policy literature.

Canada can find valuable lessons in experiences outside our borders, both in countries that have much more publicly-managed child care, such as the Nordic countries, and in the experiences in countries that rely heavily on the market for child care, such as the US, the UK and Australia. Research and policy analysis show that depending on a market model for child care is a barrier to achieving high quality, affordability, and equitability whether broad societal goals or more narrowly defined human capital aims are espoused (White & Friendly, 2012). As Yerkes & Javornik’s comparative study of six countries—three with public child care provision and three with market-driven provision—shows, in the

---

<sup>1</sup> The Australia-based ABC Learning-linked firm, 123 Busy Beavers, that originally set up in Alberta in 2007, has since undergone a series of ownership and name changes. Today the nearly 100 Canadian Bright Path centres are owned by a UK firm, Busy Bees Ltd., (also owned by ABC Learning Centres at one time) of which the majority owner is the Ontario Teachers’ Pension Fund, with Singapore-based Temasek acquiring a minority share in 2017.



market-driven cluster, equitable service delivery was jeopardized by the “opportunity gaps embedded in childcare provision” (Yerkes & Javornik, 2018).

Generally, countries with market-based approaches to child care have high parent fees, low staff wages, unmet need and ongoing quality concerns. Further, substantial public funds may be diverted to support private profits, as was manifested so clearly in the Australia case of ABC Learning (Brennan, 2007). These considerations have now been well documented in research and analysis in multiple countries that, overall, demonstrates the ineffectiveness and inequity of market-based approaches to child care services. (See, for example, Yerkes & Javornik, 2018, and the collection of international papers in Lloyd & Penn’s 2012 book).

## **Do child care markets “work”? Market failure, “compromised” and “peculiar” markets**

Peter Moss, an influential international ECEC and family policy expert, described a child care market approach as “provision... delivered [so that] consumers shop for and purchase services on offer from a variety of competing suppliers”. He observed that this model is “increasingly dominant, spreading from the English-speaking liberal market economies into Continental Europe and beyond” (Moss, 2008: 6), a trend also described by Mahon, Anttonen, Bergqvist, Brennan and Hobson (2012). In a book on child care markets cross-nationally, British child care analyst Helen Penn asked a key question: “is a child care market a reliable and equitable way of delivering child care?” (Lloyd & Penn, 2012: 6) while New Zealander Linda Mitchell called the market approach the “Achilles heel” in the attempt to build a high quality early childhood system in her country (2012).

The question: *Do child care markets work?* has been considered repeatedly by child care researchers. Canadian economists Gordon Cleveland and Michael Krashinsky, observing that parents do not have all the information needed to make child care decisions, said “providing additional funds to parents does not solve all the market failures ...markets only work well if purchasers can effectively monitor the output they are purchasing and reward firms which produce the highest quality at the lowest price. As with medical care, long-term care and education, it is difficult for consumers to make these judgments about the early education of young children” (Cleveland & Krashinsky, 2004:3).

US researcher Lynne Kagan and colleagues noted that child care should be understood to be a “compromised market”, “characterized by low entry requirements for workers, low wages...imperfect consumer knowledge, and limited protections” (Kagan, Kauerz, & Tarrant, 2008) while UK experts Ball and Vincent term child care a “peculiar market”. In their 2005 work, Ball and Vincent identified multiple aspects of child care markets that they suggest don’t work as they are supposed to. They observed:

- Child care is a practical market, not a theoretical one;
- Service shortages and parents’ lack of information mean that “consumer sovereignty” is absent, with parents a “captive audience”;
- It’s a highly gendered market, both on the supply side (the workforce) and the consumer side (mothers);
- The child care market is diverse and segmented (with a large unregulated child care ‘grey market’ including in-child’s-own-home care) and multiple types of private and public providers that are associated with class divisions and hierarchies (Ball and Vincent, 2005).

## How relying on child care markets shapes services for children and families

The market model shapes every aspect of child care in Canada. The government role is by-and-large limited to setting and monitoring regulations that establish legal, facility, programmatic and health and safety requirements and to providing some funding for some families or services. In a market model, child care is treated as a commodity, not a right or an entitlement or a systematically planned and developed public good. Thus, leaving service development to the market means that long-term planning is limited and there tends to be limited public management.

There are tangible ways by which the absence of public management is manifested. One key outcome that has received relatively little attention is that there is little public planning for service provision or expansion to meet child care needs across Canada. Instead, families must wait until private sector service providers—both for-profit entrepreneurs and non-profit or charitable organizations—determine when and where a centre will be located, as well as who is served, and how. Rather than using demand forecasting and a public process, private individuals or groups determine the age groupings, whether children with disabilities will be included, schedules, and often the pedagogical approach.

Almost all child care services in Canada are privately delivered by private for-profit owners or private non-profit voluntary and parent groups rather than by local government authorities such as municipalities or school boards. Private non-profit boards of directors and for-profit child care owners assume all legal, financial, administrative and operational responsibility, bearing the responsibility for keeping the doors open and the lights on and balancing the budget.

In a market approach, public funding for services tends to be limited. Parent fees (which are private funds) cover most of the cost of both unregulated and regulated child care). Also of key importance is that in most of Canada, most of the available public funding for child care comes through market-oriented demand-side measures.

Thus, practically, relying on a market model for child care in Canada means that:

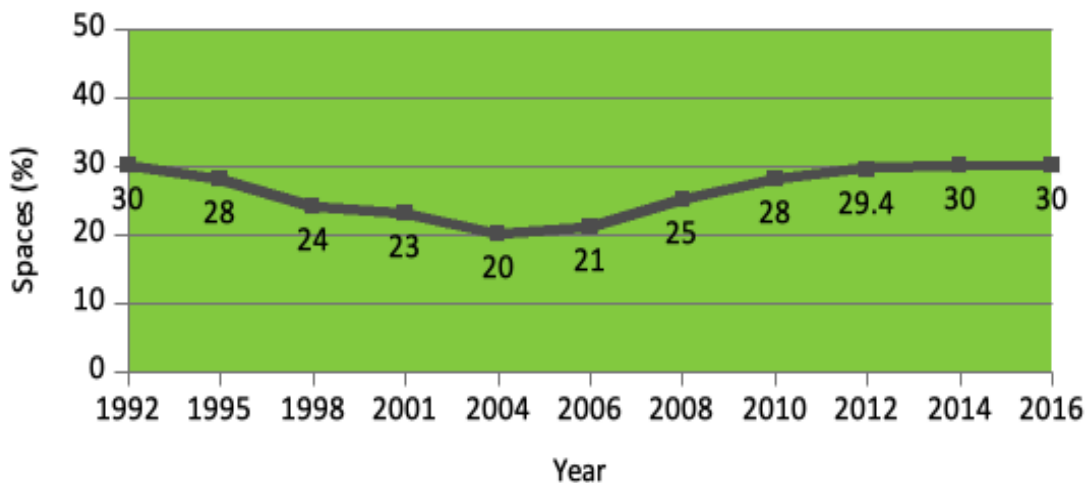
- Most of the cost of paying for most child care is carried by parents, not publicly-funded;
- Of the public funding that is available, much of it is delivered to (or on behalf of) individual parent-consumers in the form of transfers to (or for) individuals such as parent fee subsidies and tax breaks like the federal Child Care Expense Deduction and Quebec's tax credit that reimburses up to 90% of a family's child care cost, depending on income. All these are "demand-side" funding<sup>2</sup>, intended to allow consumer purchasing, in contrast to "supply-side" operational funding that supports service provision more globally;
- Child care regulation is limited to only some options and follows a privatized "license to operate" model;
- Where, when, and for whom, child care services will be developed are almost always private decisions, as there is little long-term planning based on need or demand, while whether a child care service shuts down is also a private decision;

---

<sup>2</sup> Perhaps the most obvious example of demand-side funding for child care was the Harper government's Universal Child Care Benefit, which cost the federal government \$23 billion during its course. It was rolled into the Canada Child Benefit after the 2015 federal election. See the *\$17.5 billion dollar question* ([https://www.childcare-canada.org/sites/default/files/BN\\_UCCB\\_10\\_15.pdf](https://www.childcare-canada.org/sites/default/files/BN_UCCB_10_15.pdf)) for an overview of this program.

- Managing and sustaining services ongoing is a private responsibility, with voluntary boards of directors (sometimes parents, sometimes voluntary organizations) or an entrepreneur carrying the responsibility for financing and decision making;
- Many families rely on ultra-privatized unregulated child care arrangements in which there is only the merest public role with public intervention or oversight occurring only upon complaint or a crisis situation;
- About 30% of regulated child care is for-profit, with much bigger for-profit sectors proportionally in some provinces/territories. The for-profit child care sector grew from 20% in 2004 to 30% in 2016, (see Figure 1 below and Friendly et al, 2018, Tables 8 and 16), with more and bigger chains expanding to make up a substantial for-profit sector (Flanagan, Beach and Varmuza, 2013).

Figure 1 **Percent of regulated centre-based spaces that are for-profit, 1992-2016**



Source: Friendly et al, 2018

Thus, the effects of relying on the market are visible and tangible, affecting just about every aspect of child care we care about. There are variations in affordability, supply of services and quality by region but overall, the market model shapes a situation in which most families across Canada have difficulty finding and affording high quality child care to meet their, and their children's, child care needs.

## **How a market approach affects quality and accessibility**

### ***Quality***

One way in which a market approach to child care affects quality is that it encourages reliance on poorer quality (than public or not-for-profit) regulated for-profit care and on unregulated child care of unknown quality or safety—forms described by US early childhood researcher William Gormley as “markets and black markets” (1995: 67).

Studies in multiple countries have repeatedly found not-for-profit child care (non-profit and public) to be significantly more likely to be better quality than for-profit child care. This does not suggest all public and non-profit child care programs are high quality and all profit-making child care services are poor quality. Rather, auspice, or ownership is one—albeit a key—factor that plays an important role in determining whether program quality will be higher or lower through the links between profit making and program-related factors including wages, working conditions, ECE training, staff turnover, staff morale, staff harshness/sensitivity, staff/child ratios and group size. These findings are consistent across studies: nearly all the available research shows that for-profit operation is a key, often statistically significant, factor linked to poorer quality. (For a bibliography through 2013 of child care research on the topic of auspice, see <http://childcarecanada.org/publica->

[tions/briefing-notes/10/12/research-evidence-selected-aspects-profit-non-profit-child-care-pro](#) and the literature review in Cleveland, Forer, Hyatt, Japel and Krashinsky, 2007).

Perhaps the most privatized characteristic of Canada's child care situation is its heavy reliance on unregulated arrangements—the entirely private, out-of-sight child care without regulation or public oversight, sometimes legal and sometimes illegal—upon which many working parents rely. While all provinces/territories set a maximum number of children that can be cared for in a legal unregulated care arrangement (some by specified age group numbers), unregulated child care is not inspected or monitored, and is not required to meet specified regulations for safety, ECE training, physical space or other features. While unregulated child care is usually provided in a private residential setting—either the child's home with a “sitter” or “nanny” or a caregiver's home—a number of provinces permit varieties of unregulated child care in non-residential, commercial and institutional settings too (See Child-care Resource and Research Unit, 2013, for an overview of provinces'/territories' arrangements regarding unregulated child care).

### ***Equitable access***

One main effect of a market model is that in a market, first, child care is not likely to be very accessible and second, access is likely to be inequitable (Ünver, Bircan, & Nicaise, 2018; Japel and Friendly, 2018). Inequitable access to child care has several main components (see Beach, 2019, for an overview of “access”). The first is that an adequate supply of spaces is not available in any part of Canada, especially for “harder to serve” communities or populations such as rural areas, low income communities, infants, children with disabilities and for parents working non-standard hours. Geographically, this phenomenon has been called “child care deserts” in US research (Malik, Hamm, Schochet, Novoa,



Workman, & Jessen-Howard, 2018). Canadian child care deserts have been studied and mapped by David Macdonald, whose findings illustrate the hit-and-miss “patchwork” service development that is part of a market model (Macdonald, 2018). This may be a result of community groups not being able to finance development and maintenance of child care in a rural community. Or, as some analysts have described, entrepreneurs may not choose to set up in lower income neighbourhoods, as they may not be profitable enough (Gordon, 1992). Or low income neighbourhoods (especially those in which many newcomers to Canada live) may have limited resources, so it may be difficult for parents to come together to identify their needs, set up parent boards and secure funding while—at the same time—the established voluntary organizations to fill the gap may be few and far between and stretched thin. While it should be noted that child care services may also be in short supply in jurisdictions with less marketized approaches, a market approach exacerbates child care supply problems by limiting the government levers (such as planning and funding) that are key to equitable distribution (see Erhard, Scholz & Haring, 2018).

A second component of access is affordability. In most of Canada (outside Quebec, which funds child care globally and more generously), the reliance on parent fees that comes along with limited public dollars means that regulated child care is too costly for many families. Additionally, individualized consumer-model methods such as tax breaks, vouchers or fee subsidies have been shown to be ineffectual in making regulated child care services affordable while—at the same time—they fail to build the supply of services needed to provide equitable access for families (Ünver, Bircan, & Nicaise, 2018). Canadian examples of “demand-side” methods are the former Universal Child Care Benefit (UCCB) that existed 2006 – 2017 and was incorporated into the Canada Child Benefit in 2016, the Child Care Expense Deduction (CCED) and provincial



fee subsidy systems, which cover the child care costs of individual children in lieu of full or partial parent fees. As Cleveland and Krashinsky (2004) and others have described, rather than building access to high quality services, this kind of approach treats child care as a commodity and parents as consumers (Yuen & Grieshaber, 2012; Warner & Gradus, 2009).

A noteworthy recent development vis-a-vis child care funding and affordability was identified in Macdonald & Friendly's annual survey of parent fees in Canada's largest cities in 2019. The Canadian Centre for Policy Alternatives' report pointed out that there are now six provinces (Quebec, Manitoba, Prince Edward Island, Newfoundland and Labrador, Alberta and British Columbia) using provincially set, (non market) parent fees coupled with specified operating funding (although most also retain individual fee subsidies too) in at least some of their child care services. The analysis showed that this approach has had a demonstrable impact on reducing median parent fees. At the same time, some child care in some of these provinces, and in Canada generally continues to let "the market" to set child care fees, thus, continues to be unaffordable for a majority of families (Macdonald & Friendly, 2019). (Also see Cleveland, for full discussion and analysis of the issue of affordability, 2018).

## ***Quality***

In marketized child care, quality may take a backseat to profits or other budget considerations, when—unlike the public education system or more publicly-managed child care—individual services are responsible for amassing the funds to balance their books. The elements of quality in child care are costly: maintaining a sufficient number of staff with solid ECE credentials and offering good wages and working conditions

are not only at the heart of a high quality child care program but occupy a substantial proportion of the budget—approximately 85% of a not-for-profit centre budget. But market considerations often take priority in hiring and work environment decisions, especially (but not exclusively) in for-profit operations, sometimes through necessity, sometimes not. Thus, in marketized child care, staffing and educational credentials are too often held to the minimum regulated requirements or may even not comply with legislated or recommended minimums. For a child care centre trying to balance its books, especially if it aims to make a profit, relying on limited public funding and maintaining affordable parent fees may mean curtailing staffing costs by keeping ratios, wages, working conditions and benefits to a minimum. While this may be true in both non-and for-profit programs, the motivation to glean a profit obviously adds additional incentives to keep staffing costs as low as possible. As staffing is the biggest item in a child care budget by far, it is the best source of profits. This is likely why research shows that wages and benefits are usually lower in for-profit child care (see, for example, Cleveland, 2008 and 2018).

Programming (pedagogy) too, is a key element of quality that also may be shaped by a market model. Despite introduction of provincial/territorial curriculum frameworks for child care in a number of provinces, which may or may not be mandated (see Friendly et al, 2018, Table 3), pedagogical approaches may be used as marketing tools in child care, playing to parents as consumers rather than helping them develop their early childhood knowledge or enhancing the depth and breadth of quality programming in a centre. Off-the-shelf curriculum products may offer to “enhance development” using “activities designed around the latest brain research” and “crafted to enhance learning” for toddlers (see, for example, <http://www.frogstreet.com/toddler>). A few child care programs even market “peace of mind” to consumer-parents through

on site video-over-the-internet so they can check the safety of their own child in the child care centre throughout the day (for example, see <http://www.kidsandcompany.com/ca/webwatch.php>).

A final aspect linked to child care quality that has become increasingly important in the last decade or so is the integration of care and education. Early childhood programs that are well integrated are those that achieve what the OECD has called a “strong and equal partnership” (2001) between care and education across multi domains including governance, funding, regulation, staffing and training (Muttart Foundation, 2011). There is generally weaker integration of care and education in jurisdictions with marketized child care, as markets are much harder for governments to “steer” toward integration than more publicly managed systems. It is no wonder that countries that rely on child care markets are those that tend to employ “split systems” of early childhood education and care (Children in Scotland, 2011). Indeed, it is hard to imagine how publicly-funded, publicly-delivered kindergarten can become better integrated or more blended with the parent-financed, privately owned and operated child care services that form much of the child care supply across Canada.

## **Child care markets: Summing up**

Whether a publicly-managed or a market approach to child care is taken is a public policy decision with significant consequences for families and children. The available research and analysis shows that the policy choice between a market or a public management model has major implications for how much, and how, public financing goes to programs. Thus, this choice plays a key role in determining which families have access to child care, and which do not.

Figure 2

Five characteristics of child care markets	Five outcomes of child care markets
Limited public management	Low, inequitable access
Consumer-model financing	Quality takes backseat to profit/budgets
Relying on privatized services and unregulated child care	Staffing to the minimum
Limited planning	Programming aimed at the market
Hit-and-miss service development	Limited integration of care and education

It is public policy (or its absence) that determines what the child care experience is like for children and for families — whether the right kinds of programs are available where and when they’re needed; who the staff are; how many educators there are, how long they stay in their jobs, what the programming is like, whether the children play outside or are served a nutritious lunch or indeed, whether they are safe. Public policy also has significant consequences for the early childhood educators who deliver the programs—it has an impact on their working conditions, career possibilities, whether they have a say in decision-making in their centre, how much they are paid and whether they have a dedicated staff room, good benefits and paid preparation time.

As this paper has outlined, there is good evidence that a market model does not work well for child care. As Prentice notes, when child care is conceived of as a public good, rather than a market commodity, its close relationship to social capital and social inclusion become obvious (2005). And as journalist Erin Anderssen, in her *Globe and Mail* series on child care in Canada, observed:

Dripping cash into a poorly managed, market-based system hasn’t worked – it’s led to high fees over all, an increase

in expensive for-profit care and too much unlicensed home daycare of questionable quality” (Anderssen, 2013).

As this observation suggests, Canada’s “poorly managed, market-based” child care situation—despite “dripping cash” into it—has been less than salutary in the absence of a full robust, comprehensive child care policy despite many worthwhile initiatives and proposals over 30 years. Indeed, without robust policy, Canada may or may not have provided more equitable and better quality child care even if more public funding had been available. The evidence shows that Canada lacks both adequate public funding and the well-designed public policy needed to ensure that the funds are spent effectively so that families can access the child care they need and that children are well cared for and educated. Thus, both adequate public funding and well-designed public policy are required to reshape Canada’s child care market into a child care system that is based on the best available knowledge about “what works” for families and children.

This paper has outlined how and why marketizing child care is not only a bad bargain. Many would argue as well that it is also the wrong thing to do. As political philosopher Michael Sandel has observed:

with some social goods and practices, when market thinking and market values enter, they may change the meaning of those practices and crowd out attitudes and norms worth caring about. In the end, the question of markets is not mainly an economic question.... It’s really a question of how we want to live together. Do we want a society where everything is up for sale, or are there certain moral and civic goods that markets do not honor and money cannot buy? (Sandel, 2013).

## References

- Anderssen, E. (2013, Oct 20). The case for publicly funded child care in Canada. *The Globe and Mail*. Retrieved from: <http://www.theglobeandmail.com/life/parenting/the-case-for-publicly-funded-child-care/article14954409/>
- Ball, S., & Vincent, C. (2005). The 'childcare champion'? New labour, social justice and the childcare market. *British Educational Research Journal*, 31(5), 557-570.
- Beach, J. (2019). Presentation on Accessibility to the National Data Conference. Ottawa: Employment and Social Development, February 25 2018.
- Brennan, D. (2007). The ABC of child care politics. *Australian Journal of Social Issues*, (42)2, pp. 213-225.
- Brennan, D., Newberry, S. and van der Laan, S. (2007). *The corporatization of child care in Australia: easy as ABC*. Paper presented at Paid Care Network Symposium on For-Profit Providers of Paid Care, University of Sydney, 29-30 November.
- Brennan, D. (2008). *The corporatization of child care in Australia: Not as easy as ABC*. Powerpoint presentation at Social Policy Research Centre (SPRC), University of New South Whales. Retrieved from [http://childcarecanada.org/sites/default/files/Brennan\\_AU\\_child\\_care.pdf](http://childcarecanada.org/sites/default/files/Brennan_AU_child_care.pdf)
- Childcare Resource and Research Unit. (2013). BRIEFing NOTE: *Characteristics of unregulated child care by province/territory*. Toronto: Author. Retrieved from: <http://www.childcarecanada.org/publications/briefing-notes/13/11/characteristics-unregulated-child-care-provinceterritory>
- Childcare Resource and Research Unit. (2011). BRIEFing NOTE: *Research evidence on selected aspects of for-profit/non-profit child care programs: A bibliography*. Toronto: Author. Retrieved from: <https://www.childcarecanada.org/publications/briefing-notes/10/12/research-evidence-selected-aspects-profitnon-profit-child-care-pro>.
- Children in Scotland. ( 2011). *Working for inclusion: the role of the early years workforce in addressing poverty and promoting social inclusion: Summary of the EC programme and its findings*. Author: Edinburgh.

Cleveland, G. (2018). *Affordable for all: Making licensed child care affordable in Ontario*. Final report commissioned by the Ministry of Education, Government of Ontario. Retrieved from [http://www.childcarepolicy.net/wp-content/uploads/2018/03/AFFORDABLE-FOR-ALL\\_Full-Report\\_Final.pdf](http://www.childcarepolicy.net/wp-content/uploads/2018/03/AFFORDABLE-FOR-ALL_Full-Report_Final.pdf)

Cleveland, G. (2008). *If it don't make dollars, does that mean that it don't make sense? Commercial, non profit and municipal child care in the city of Toronto: A report to the Children's Services Division, City of Toronto*. Toronto:City of Toronto.

Cleveland, G., Forer, B., Hyatt, D., Japel, C. & Krashinsky, M. (2007). *An economic perspective on the current and future role of non profit provision of early learning and child care services in Canada*. Toronto: City of Toronto. Retrieved from <http://www.childcare-policy.net/wp-content/uploads/2013/04/final-report.pdf>

Erhard, K. ,Scholz, A.& Harring, D. (2018). *Research concept and study design: The equal access study*. International Centre: Early Childhood Education and Care (ICEC), German Youth Institute (Deutsches Jugendinstitut e.V., DJI), Munich.

Flanagan, K., Beach, J., & Varmuza, P. (2013). *You bet we still care. A survey of centre-based early childhood education and care in Canada: Highlights Report*. Ottawa: Child Care Human Resources Sector Council. Retrieved from [http://www.ccsc-cssge.ca/sites/default/files/uploads/Projects-Pubs-Docs/EN%20Pub%20Chart/YouBetSurveyReport\\_Final.pdf](http://www.ccsc-cssge.ca/sites/default/files/uploads/Projects-Pubs-Docs/EN%20Pub%20Chart/YouBetSurveyReport_Final.pdf)

Friendly, M., Prentice, S., and Ballantyne, M.(2018). No equality without universal child care. *Policy Options*, Institute for Research on Public Policy. Retrieved from <https://policyoptions.irpp.org/magazines/march-2018/no-equality-without-universal-child-care/>

Friendly, M., Larsen, E., Feltham, L., Grady, B., Forer, B., Jones, M. (2018). *Early Childhood Education and Care in Canada 2016*. Toronto: Child Care Resource and Research Unit.

Gordon, A. (1992). *Debate over child care, 1969-1990: A sociohistorical analysis*. Albany, NY: Klein State University of New York Press.

Gormley, W. (1995). *Everybody's children: Child care as a public problem*. The Brookings Institution. Washington DC.



Japel, C. and Friendly, M. (2018). *Unequal access to early childhood education and care in Canada. The equal access study*. International Centre: Early Childhood Education and Care (ICEC), German Youth Institute (Deutsches Jugendinstitut e.V., DJI), Munich.

Kagan, S.L., Kauerz, K. & Tarrant, K. (2008). *The early care and education teaching workforce at the fulcrum: An agenda for reform*. New York, NY: Teacher's College Press.

Lloyd, E., & Penn, H. (2012). *Childcare markets: Can they deliver an equitable service?* Bristol, UK: Policy Press.

Macdonald, D. (2018). *Child care deserts in Canada*. Ottawa: Canadian Council for Social Development. Retrieved from <https://www.policyalternatives.ca/publications/reports/child-care-deserts-canada>

Macdonald, D. & Friendly, M. (2017). *Time Out: Child care fees in Canada 2017*. Ottawa: Canadian Centre for Policy Alternatives.

Mahon, R., Anttonen, A., Bergqvist, C., Brennan, D., & Hobson, B. (2012). Convergent care regimes? Childcare arrangements in Australia, Canada, Finland and Sweden. *Journal of European Social Policy*, 22(4), 419-43.

Malik, R., Hamm, K., Schochet, L., Novoa, C., Workman, S., & Jessen-Howard, S. (2018). *America's child care deserts in 2018*. Washington DC: Center for American Progress.

Ministry of Education (2017). *Ontario's Renewed Early Years and Child Care Policy Framework 2017*. Queen's Printer for Ontario, 2017. Retrieved November 5, 2018 [http://www.edu.gov.on.ca/childcare/renewed\\_early\\_years\\_child\\_care\\_policy\\_framework\\_en.pdf](http://www.edu.gov.on.ca/childcare/renewed_early_years_child_care_policy_framework_en.pdf).

Ministry of Education (2017). *Ontario's Renewed Early Years and Child Care Policy Framework 2017*. Towards Universally Accessible Child Care: Ontario's Five-Year Action Plan. Queen's Printer for Ontario, 2017. Retrieved November 5, 2018 from [http://www.edu.gov.on.ca/childcare/eycc\\_action\\_plan\\_en.pdf](http://www.edu.gov.on.ca/childcare/eycc_action_plan_en.pdf).

Mahon, R. (2000). The never-ending story: The struggle for universal child care policy in the 1970s. *Canadian historical review*. vol. 81, 582-622.

Mitchell, L. (2012). In Lloyd, E., & Penn, H. (Eds). (2012). *Childcare markets: Can they deliver an equitable service?* Bristol, UK: Policy Press.



Monsebraaten, L. (2008, Apr 1). Corporate link to child care draws concern. *Toronto Star*. Retrieved from <http://childcarecanada.org/documents/child-care-news/08/04/corporate-link-child-care-draws-concern-ca>

Moss, P. (2008). There are alternatives! Markets and democratic experimentalism in early childhood education and care. *Working Papers in Early Childhood Development*, 53. Netherlands, Germany: Bernard van Leer Foundation, Bertelsmann Stiftung.

Muttart Foundation. (2011). *In the best interests of children and families: A discussion of early childhood education and care in Alberta*. A synthesis of regional discussions. Alberta: Author.

Office of the United Nations High Commissioner for Human Rights, (1989). *Convention on the Rights of the Child*. Retrieved March 10, 2011 from <http://www2.ohchr.org/english/law/crc.htm>. cannot find site

Organisation for Economic Co-operation and Development, (2006). *Starting Strong II: Early childhood education and care*. Directorate for Education. Paris: Author.

Organisation for Economic Co-operation and Development, (2001). *Starting Strong: Early childhood education and care*. Directorate for Education. Paris: Author.

Penn, H. (2007). Childcare market management: How the United Kingdom government has reshaped its role in developing early childhood education and care. *Contemporary Issues in Early Childhood* 8(3), 192-207.

Prentice, S. (2000). The business of child care: The issue of auspice. In L. Prochner and N. Howe (Eds.) *Early childhood care and education in Canada: 273-289*. Vancouver: University of British Columbia Press.

Prentice, S. (Ed.). (2001). *Changing child care: Five decades of child care advocacy and policy in Canada*. Halifax: Fernwood Publishing.

Sandel, M. (2013). *Why we shouldn't trust markets with our civic life*. TED Global. Online at [http://www.ted.com/talks/michael\\_sandel\\_why\\_we\\_shouldn\\_t\\_trust\\_markets\\_with\\_our\\_civic\\_life/transcript](http://www.ted.com/talks/michael_sandel_why_we_shouldn_t_trust_markets_with_our_civic_life/transcript)

Shonkoff, J. P. & Phillips, D.A. (Eds.) (2000). *From neurons to neighborhoods: The science of early childhood development*. Washington, DC: National Academy Press.

UNICEF. (2008). *The child care transition: A league table of early childhood education and care in economically advanced countries*(Report Card 8). Florence: UNICEF Innocenti Research Centre.

Ünver, Ö., Bircan, T., & Nicaise, I. (2018). Perceived accessibility of childcare in Europe: a cross-country multilevel study. *International Journal of Child Care and Education Policy*, 12(1), 5

Warner, M. and Gradus, R. H. J. M. (2009). *The consequences of implementing a child care voucher: Evidence from Australia, the Netherlands and USA*. Tinbergen Institute Discussion Paper 09-078/3 . Available online at [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1469447](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1469447)

White, L., Perlman, M., Davidson, A., and Rayment, E. (2018). Risk perception, regulation, and unlicensed child care: lessons from Ontario, Canada. *Journal of Risk Perception*, January.

White, L., & Friendly, M. (2012). 'No-lateralism': Paradoxes in early childhood education and care policy in the Canadian federation. In H. Bakvis, & G. Stogstad, (Eds.) *Canadian Federalism* (pp.2-19). Toronto, ON: Oxford University Press Canada.

Yerkes, M. A. and Javornik, J. (2018). Creating capabilities: Childcare policies in comparative perspective. *Journal of European Social Policy*. <https://doi.org/10.1177/0958928718808421>

Yuen, G., & Grieshaber, S. (2009). Parents' choice of early childhood education services in Hong Kong: A pilot study about vouchers. *Contemporary Issues in Early Childhood*, 10 (3), 263-279.