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## Background paper on unregulated child care for the *Home child care: More than a home project*

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Childcare Resource and Research Unit  
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“Although licensing providers does not on its own guarantee quality, research in both Canada and the U.S. does suggest the importance of enhanced regulator, supervisory, educational, and network structures for all home child care providers” (Kyle, 2000: 57)

### **About the *Home-based<sup>1</sup> child care – More than a home project and this paper***

*Home-based child care – More than a home* was a project of Campaign 2000 supported by the Metcalf Foundation’s Inclusive Local Economies Program. The goal of this project was to articulate stakeholder-agreed recommendations to improve the safety, security and quality of unregulated home child care; to identify or develop practical solutions; and to develop a consensus on a strategy to pursue these solutions. The desired outcome of the project was “to improve the situation for children and their families as well as for child care providers in both regulated and unregulated settings”.

The project plan included this background paper, outreach and convening community roundtable sessions with unregulated child care providers and a roundtable with practitioners and policymakers all held in Toronto. An online, non-randomized survey of unregulated home child care providers was also conducted.

This background paper aimed to support the project by offering an overview of the current landscape of unregulated child care in Ontario and other Canadian jurisdictions, identifying important issues in home child care through a review of the research literature, and summarizing key recommendations that have emerged from the academic and policy literature.

Throughout most of the course of this project, legal unregulated child care had been permitted in a variety of settings and by a variety of kinds of operators in Ontario. There were historically a number of circumstances in which legal unregulated child care operated because neither the legislation nor regulations specified that a “home” care setting must be the provider’s home; this is similar to what is allowed in most other provinces/territories (see Table 2). Unregulated centre-like operations that were open before 1993 were operated by private schools (not limited in size) and unregulated storefront child care was allowed to operate so long as there are fewer than the maximum number of children. Originally, some (not all) of these loopholes were to have

<sup>1</sup> A note on terminology: Home child care refers to any care – regulated or unregulated – that takes place in a private home. Home-based child care may take place in a caregiver’s home, the child’s own home (by a nanny or babysitter, or in another setting.) This report deals mostly with care taking place in the caregiver’s home. Many different terms exist to refer to care that takes place in a caregiver’s home: family child care, home child care, private home day care, day home, etc. In this paper, we use family child care or home child care throughout. Every effort has been made to clearly specify when referring to the regulated or the unregulated/informal sector.

been closed by Bill 143, which died with the 2014 Ontario election. When the June 2014 election was won by the Liberals, Bill 143 was re-introduced as Bill 10 and, following several sessions of public hearings at Committee Stage, was passed by the legislature in November 2014.

It should be noted that while Bill 10 addresses a number of specific concerns about the operation of unregulated child care (such as grandparented operation by private schools), there is no specification that it be operated in the provider's own home, or even that it be in a home setting. Thus, unregulated child care may still be operated in a rented house, apartment, office space or storefront, making the term "unregulated home child care" less than accurate in some circumstances.

## **Introduction: History and current political context of unregulated child care in Ontario**

In 1981, in one of Ontario's first child care policy papers, the Ontario Ministry of Community and Social Services (COMSOC) recognized "insufficient support for informal care" as one of five "Problem Areas for Ministry Initiative". At the time the Ministry acknowledged unregulated child care as the most prevalent form of child care and identified the following problems with it:

- Quality of care;
- Difficulty for parents in finding such arrangements and in maintaining stable arrangements;
- Isolation of caregivers;
- Lack of readily available information for caregivers on various aspects of child care activities.

The Ministry also pointed out that "while this form of care predominates in most jurisdictions, no organized approach has ever been taken to its enhancement." (Ontario Ministry of Community and Social Services, 1981: 61)

At the time the Ministry set as a goal the "enhancement of informal care":

To improve the quality of informal care arrangements, and strengthen the capacities of parents to select and monitor such arrangements, the Ministry will be undertaking an innovative approach involving the establishment of a fund of \$900,000 [\$2,351,550 in 2015 dollars] to develop new support services for both providers of informal care and parents. These projects will be locally initiated, and might include: setting up information/referral networks; the establishment of drop-in resource centres for caregivers and the children they care for; the provision of basic information on issues such as health, nutrition

and safety; assistance to caregivers in developing mutual support plans in the case of emergency and illness; daycare resource staff to establish a more substantial connection between caregivers and parents; or toy lending services offering a variety of suitable toys and equipment. (Ontario Ministry of Community and Social Services, 1981: 61)

Much has changed in Ontario since 1981 but the predominance of unregulated care, questions about its quality, about the stability of its arrangements and isolation of many of its caregivers from networks of training and support and—perhaps most importantly—its absence of public oversight have remained unsolved issues in the province. While regulated centre-based child care and regulated home child care<sup>2</sup> have slowly expanded over the years, there remains a very sizeable gap between need and provision. In 2012 there were regulated child care spaces (centres and regulated home child care) for only 15% of 0-12 year olds in Ontario (Friendly, Halfon, Beach and Forer, 2013). Thus, as the workforce participation rate of mothers has continued to increase steadily, so has the demand for child care and – just as in 1981 – it is a need still largely met by the unregulated sector.

In a 2012 Ministry of Education document, *Modernizing Child Care: Discussion Paper*, the government of Ontario once again laid out the goal of improving the informal child care sector:

We recognize that many parents choose informal child care arrangements with family members such as grandparents. These arrangements are personal in nature and the government has no intention of regulating them.

Where programs are delivered in the informal sector, we seek feedback about how to assist unregulated home-based caregivers to deliver quality programs and increase the safety of children. For example, the creation of a registry could help the government to communicate with caregivers in the informal/unregulated sector and to provide them with information about program quality, health and safety. (Ontario Ministry of Education, 2012: 13)

From referral networks and toy lending services in 1981 to registries in 2012, Ontario has floated many ideas to improve the safety, security and quality of unregulated child care. Practical experience with some of these approaches has suggested that they are less than complete solutions to the long-standing concerns about “informal” or unregulated child care. Thus, the concerns have stayed with us and have, indeed, even intensified.

<sup>2</sup> Note that in the last few years, regulated home child care has been shrinking as a proportion of spaces and in actual number of spaces (see Ferns and Friendly, 2014).

In 2013, following the deaths of four young children within seven months in unregulated settings, public concern about the unregulated child care sector crystallized into calls for meaningful change. The provincial government responded by introducing Bill 143, later Bill 10 (the *Child Care Modernization Act*), legislation aimed at “provid[ing] the government with greater authority and enforcement tools to strengthen oversight and enhance safety” (Ontario Ministry of Education, 2013: 1). The spirit of the legislation was generally supported by the child care community and there was anticipation that vigorous discussion at Committee Stage would further improve the Bill.

Although Bill 10 was passed by the Ontario legislature, the pressing need to address the issues of safety, security and quality of unregulated child care solutions still remain with us, requiring the child care community to come together to develop solutions and push for real and lasting change. For example, in its brief to the Legislative Committee holding hearings on Bill 10, the Childcare Resource and Research Unit argued that

This legislation alone is not sufficient for the development and sustainability of the high quality early childhood education and child care system that Ontario needs.... [urging] the provincial government to begin a full policy process to develop a robust, comprehensive ("modernized") policy framework that lays out the provincial government's vision, rationales, principles, short and long-term plans, funding and evaluation mechanisms.

The CRRU brief further noted that

The policy process needs to address such key issues as: how the high quality child care workforce (including home child care) needed to ensure high quality services will be ensured; how child care and kindergarten will become better integrated; how child care services will become affordable; how the supply of services will be grown to cover more than the 20% of children now covered; how the child care market will be transformed to a system, to name some of the most important policy issues that need to be addressed (Childcare Resource and Research Unit, 2014).

### **What’s the difference between regulated and unregulated home child care?**

In Canada, every province and territory has a mechanism for regulating home child care but all province/territories also allow unregulated home child care (often called “family day care” or “informal care”). Thus, home child care in Canada may be either regulated or unregulated in every province/territory (see Table 2 for details on home child care in all provinces/territories).

Across Canada, there are two models of regulating home child care: a direct licensing model and an agency model. Under the direct licensing model, the province/territory licenses/approves and monitors individual home-based providers. Most jurisdictions use this approach; direct licensing is the sole method used in Prince Edward Island, New Brunswick, Manitoba, Saskatchewan, British Columbia, Yukon, Northwest Territories and Nunavut. Ontario is one of three provinces that solely use the agency model, along with Nova Scotia and Quebec. Newfoundland and Labrador and Alberta have both agency-approved providers and some individually licensed providers (in Alberta, group family child care homes are individually licensed while single providers work with approved agencies. In Newfoundland and Labrador, rural providers tend to be individually licensed by the province, while urban providers work with an agency). Several provinces also have “group” family child care, where more than one provider in a private home cares for a larger number of children in Quebec, Manitoba and Alberta.

Under the agency model, family child care agencies (such as Family Day Care Services or Network Child Care Services in Toronto) are responsible for recruiting, approving, supporting and monitoring individual providers. As the provincially licensed operator, they are legally responsible for ensuring that the providers they recruit, monitor and supervise (and often train) meet the regulations.

Regardless of the regulatory model (direct or agency), regulated home child care in most provinces/territories is subject to many requirements and standards beyond the maximum number of children and age restrictions. These include: health and safety, food handling, physical space, provider requirements. In addition they are regularly monitored (inspected). Agencies may have further requirements in place regarding pre-service training and qualifications such as those offered by some agencies or by the Canadian Mothercraft Society. In Ontario, there are no provincially mandated training requirements for regulated home child care providers; most other provinces/territories now require at least minimum training (see Table 2).

In contrast, unregulated child care operates with no public oversight. Each province/territory sets the maximum number of children that may be cared for in an unregulated setting and most jurisdictions provide further age restrictions. There are no required health and safety standards and no regular monitoring occurs. Basically, the concept of regulation does not apply to unregulated home child care as it is unregulated. Government inspection may occur but only following citizen complaints. This did not change with passage of Bill 10, as the Ontario government’s approach to unregulated home child care remains complaint-based.

Highlighting how little oversight exists of unregulated child care, the Ontario Ministry of Education (2012:12) pointed out that:



There are no provincial standards for health and safety in the informal care sector. Because many services in Ontario are regulated to protect consumers, parents may sometimes have inconsistent expectations about the protection of children in unlicensed/unregulated home-based care (Ontario Ministry of Education, 2012:12).

These Ministry of Education observations about parent perceptions are reflected in the findings of a Canada-wide survey conducted by CBC’s consumer program, *Marketplace* (CBC, February 22, 2013). *Marketplace* asked the question: “Do all daycares have to meet regulations?” Of the 1000 respondents, 75% replied “yes” or “I don’t know”.

The following table outlines differences in regulation and oversight between regulated and unregulated home child care in Ontario.

<b>Table 1. Comparison of regulated and unregulated home-based child care in Ontario <sup>1</sup></b>		
	<b>Regulated home child care</b>	<b>Unregulated child care</b>
<b>Maximum number of children</b>	Six <sup>3</sup> children including the provider’s own children under the age of 6 years.	Five children including <sup>4</sup> the provider’s own children.
<b>Further age group restrictions</b>	No more than: <ul style="list-style-type: none"> <li>• five children under 5 years;</li> <li>• three children under 3 years;</li> <li>• two children under 2 years;</li> <li>• one child under 1 year.</li> </ul> (To a maximum of five children under 5 years)	No more than two under two years <sup>5</sup> .
<b>Monitoring and accountability</b>	<ul style="list-style-type: none"> <li>• Minimum of four annual inspections.</li> <li>• Serious occurrences must be reported to the agency and provincial ministry.</li> </ul>	<ul style="list-style-type: none"> <li>• No regular monitoring. Inspection only following complaints.</li> <li>• Only accountable to parent as a customer.</li> </ul>
<b>Provider qualifications</b>	None specified in legislation, though individual agencies may have qualification requirements.	None.
<b>Smoking</b>	Must comply with <i>Smoke Free Ontario Act</i>	No restrictions.
<b>Nutritional standards</b>	Must follow Canada Food Guide.	No guidelines.

<sup>1</sup> Adapted from the table *Licensed Home Child Care or Unlicensed Home Child Care?* produced by the Home Child Care Association of Ontario (No date).

<sup>3</sup> Note that Bill 10 increased this from five to six.

<sup>4</sup> Note that Bill 10 now requires unregulated providers to count their own children under age 6. See Table 2 with regard to how other provinces/territories address this question. (Most require that the provider’s own children be included).

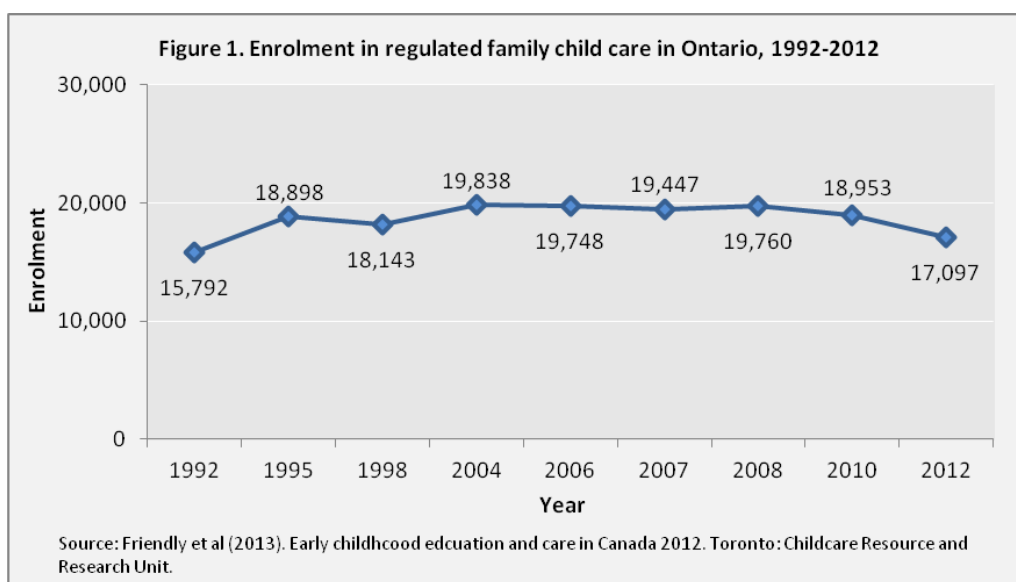
<sup>5</sup> Bill 10 introduced a new age restriction – no more than two children under two years.

## Current state of regulated and unregulated home child care in Canada and Ontario

According to *Early Childhood Education and Care in Canada 2012* (Friendly, Halfon, Beach & Forer, 2013), there were regulated centre-based and home child care spaces for only 15.4% of children 0-12 years Ontario in 2012. This is considerably lower than the Canadian average of 20.5%. In 2012, the workforce participation rate of mothers in Ontario whose youngest child 3-5 years was 75.3% (and 83.3% among mothers whose youngest child is 6-15 years). We can thus see that there is a large gap between provision of regulated child care spaces and the assumed need for services.

In 2012, there were 292,997 regulated child care spaces in Ontario. Of these 17,097 (5.8%) were in regulated home child care. The proportion of regulated home child care spaces across Canada has been declining relative to centre-based spaces, from 27% of total spaces in 2001 to 14% in 2012. In Ontario regulated home child care has been declining in absolute numbers too. As we can see in Figure 1, in Ontario, regulated family child care enrolment has seen little expansion since the 1990s and has declined in absolute numbers from enrolment of 19,838 in 2004 to 17,097 in 2012.

While this pattern has generally been true across provinces/territories, it is also interesting to note the wide variation among province/territories with regard to the prevalence of regulated home child care. As Ferns and Friendly, 2014 (Figure 4) shows, the percent of total spaces that were in regulated home child care ranged from 0.7% in Prince Edward Island and Nunavut to 22.4% in the Northwest Territories. Quebec was the next highest: 21% of Quebec's total spaces were in home child care in 2012.



Across Canada, each province/territory has somewhat different rules about unregulated child care: how many children are permitted, whether it includes the caregiver's own children, further age restriction, etc. To put Ontario's rules about unregulated child care into context, Table 2 presents a comparison of characteristics of *unregulated* child care by province/territory.

<b>Table 2. Characteristics of <i>unregulated</i> child care by province/territory</b>					
<b>P/T</b>	<b>Max # of children</b>	<b>Does maximum number include caregiver's own children?</b>	<b>Additional age limitations</b>	<b>Are there reqs re: facility or building?</b>	<b>Are there circumstances under which unregulated group care for 0-5 is allowed?</b>
<b>NL</b>	4	Including caregiver's own children <13	If all <24 months – maximum 3 children	NO	YES – License not required for up to 6 children <9 hrs/wk or any number to 6 hrs/day for <8 wks in any 12 wk period.
<b>PE</b>	5	Including caregiver's own preschool-age children	If all are <2, max 3; 5 if no more than 2 are <2. 6 allowed in group up to 10 years if no more than 2 are <2	NO	NO
<b>NS</b>	6 8 if all are school-aged	Including caregiver's own preschoolers	None	NO	NO
<b>NB</b>	5 ages 0-12	Including caregiver's own children 0-12	No more than 2 may be infants	NO	NO
<b>QC</b>	6	Including caregiver's own children (ages unspecified)	None	NO	YES – Jardins d'enfants - Minimum 7 children 2-5 years up to 4 hours/day
<b>ON</b>	5 <10 years	-Not under current legislation. As of Jan 2016 with implementation of Bill 10, will include caregivers' own children under six years.	None	NO	NO – the passage of Bill 10 addressed the situation of child care that was part of a private school before June 30, 1993 – these were license-exempt; those established or in private schools est. after this date were required to be licensed. With Bill 10, all will be required to be licensed.
<b>MB</b>	4	Including caregiver's own children 0-12	No more than 2 <2	NO	NO

<b>SK</b>	8	Including caregiver's own children <13	No more than 5 may be <6; of the 5, no more than 2 may be <30 months	NO	YES – Preschools operating <3 hrs/day or 3 days/week
<b>AB</b>	6 under age 13	Including caregiver's own children <12	No more than 3 may be <2 years	NO	NO
<b>BC</b>	2 (or 1 sibling group of any age)	<b>Not</b> including children related to the caregiver	None	NO	YES - A program operated (for each group of children), for 2 hours or less each day, AND directly operated and funded by a municipality
<b>NT</b>	4	Including caregiver's own children <12	None	NO	NO
<b>NU</b>	4	Including caregiver's own children <12	None	NO	NO
<b>YT</b>	3	<b>Not</b> including caregiver's own children <6	None	NO	YES - Preschools for 3-6 year olds operating <3 consecutive hrs are exempt.

## Literature review

It is generally agreed that there is very little research about unregulated child care in Canada (or, indeed, elsewhere). There is a dearth of data or academic literature on the topic, in part at least due to the intrinsically private nature of these arrangements. That said, there have been a few important studies in Canada and internationally over the years that have attempted to explore the unregulated child care sector. These studies have sought to understand the nature of unregulated/informal child care arrangements: who works in the informal sector and what motivates these providers to undertake care work? Who uses unregulated home child care and what are their thoughts on the arrangements? And what might be done to improve quality for caregivers, parent-users and children?

We will first briefly describe the few major relevant studies (primarily Canadian) that have looked in detail at unregulated child care, summarize the research evidence that has drawn a connection between regulatory status and quality, and review research on regulated home child care that have made important recommendations to address issues in the unregulated sector.

This review does not attempt to be exhaustive. Rather it highlights the major research evidence on characteristics of unregulated providers and unregulated care arrangements, issues in unregulated child care and important ideas on how to improve its safety, security and quality.

It should also be noted that this background paper did not review the literature on *regulated* home child care except where it was relevant for considering unregulated child care. As this literature is more voluminous, this was beyond the scope of this project. In a larger project, however, there is some very useful literature on regulated home child care that would be worthwhile to consider.

## **What do we know about unregulated child care arrangements in Canada, and how do we know it?**

### ***Project Child Care (Johnson, 1977; 1978)***

The first Canadian study to look at unregulated child care<sup>6</sup> was Project Child Care (1975-1978) conducted in the City of Toronto. A joint project of the Children's Day Care Coalition and the Social Planning Council of Metropolitan Toronto (funded by National Health and Welfare), Project Child Care completed three surveys. Although it is now nearly 40 years old, the Project Child Care research remains important as it was the first (and only) study in Canada to offer an in-depth look at unregulated arrangements, surveying both the parent-users and the caregivers. It has informed nearly four decades of thinking on unregulated child care in Canada.

A sample of 742 parents in then-Metro Toronto was surveyed using a face-to-face interview format (in their homes) about child care arrangements for their pre-school aged children. A sample of 281 unregulated caregivers who provided care for families in the parent sample was also surveyed using the same format. The researchers placed special emphasis on “learning the characteristics of private, unsupervised arrangements, because despite the widespread use of this type of care, it is the type about which the public has the least information” (Johnson, 1977: 2). Key findings from Project Child Care that have shaped how we understand unregulated child care and its providers include the socio-demographic and personal characteristics of the caregiver/respondents:

- All respondents were women;
- 84% were married;
- Half were between 21 and 40 years old, mean age was 39 years;
- 69% had one or more children under 15 – average age of their children was 5.9 years;
- 45% had one or more pre-school age child;
- 52% had no education beyond elementary school;
- A majority had family incomes of less than \$20,000;
- 65% were born outside Canada;
- 75 % cited “parenting” as their ‘prior experience with children’

<sup>6</sup> Note that there was no regulated family child care at that time.

Findings about the care giving arrangements included:

- 64% of respondents provided care in their own home, 7.5% provided care in the child's home on a non-live-in basis, 1.4% on a live-in basis, and 27% were non-resident relatives;
- 5% of respondents reported that they were providing care to more than five children, which is more children than was legally permitted;
- Only 3% of respondents said they worked “over the table” – declaring cash income from care giving and claimed detailed care giving expenses.
- 61% did not think they need specialized training.

The study also examined unregulated caregivers' opinions on possible home child care supports:

Caregivers' amenability to various proposed home day care supports was also assessed. Twelve programs were described to them including: matching services between caregivers and parents; toy lending; information or instruction on matters of nutrition, health and child care in general; and licensing of caregivers. For eleven of the twelve programs, a majority of caregivers replied that the program would be 'very helpful' to improve the quality of child care. Regarding licensing of caregivers, only about one-third stated that this mechanism would be 'very helpful' to improve quality. (Johnson, 1978: 256).

When asked about what steps the government or the community might take to “help parents”, caregivers were four times as likely to mention supports pertaining to centre-based care, as they were to mention supports for home-based care. Among the supports mentioned 46% suggested more centres and 31% suggested financial assistance (including subsidies or “cheaper day care”).

***Family Day Care in the United States. National Day Care Home Study (Divine-Hawkins, 1981)***

The National Day Care Home Study was a landmark study from the United States that aimed to “describe family day care populations, programs, processes, costs, administrative structures and place in the community” (1981: 1). The study looked at three types of home child care: unregulated providers, licensed/registered providers who operated independently, and regulated providers who were overseen by a sponsoring agency. An ambitious, four-year study producing a seven-volume final report, the National Day Care Home Study uncovered the importance of regulatory status and administrative structure to quality of care. For example, the study found that sponsored caregivers interacted with children in their care the most while unregulated caregivers showed the least direct involvement. Divine-Hawkins summed up how the presence

of a sponsoring agency (what the study referred to as “day care systems”) made a difference to quality:

The National Day Care Home Study has also found that day care systems play an important role in promoting quality care by maintaining desirable enrolment levels, monitoring regulatory compliance, training caregivers, providing technical assistance to the caregiver and providing a vehicle for parent involvement. The organization of family day care homes under the umbrella of family day care systems thus has advantages for each of the participants – the government agency that subsidizes or regulates the care, the caregiver, the parent, the child and the community as a whole. (p. 51-52).

Relevant recommendations to come out of the National Day Care Home Study include:

- Promote the development of day care systems [agency sponsored];
- Increase the availability of caregiver training;
- Continue to regulate group size and age mix to protect young children, limit caregiver burden and create flexibility for school-aged children.

### ***Canadian National Child Care Study (Goelman et al., 1993)***

The Canadian National Child Care Study (1988-1993) consisted of both a multi-volume review of provincial and territorial policies and programs and the 1988 National Child Care Survey (NCCS) of 24,000 families. Carried out under the aegis of Statistics Canada as a special supplement to the Canadian Labour Force Survey, the NCCS was the largest child care survey ever conducted in Canada and provided some of the best information about the prevalence of different types of child care arrangements in Canada at the time. It is from results of the NCCS that we learned some detail of the usage of unregulated family child care in Canada at the time.

Some of the highlights are reported in Goelman et al. (1993):

- The majority (57%) of Canadian children participated in non-parental care in a given week;
- 18% of infants were cared for by a relative in the relative’s own home, 15.9% were cared for in an unregulated family child care home. Only 3.2% were in centre-based care;
- 19% of toddlers were in unregulated family child care, 16% were in the care of relatives, 10% were in centre-based care, 2.1% were in regulated family child care;
- Of 3-5 year olds, 30% were enrolled in part day kindergarten and 19% were in part day nursery school. 20% used unlicensed family day care;
- For school-aged children 13% used unregulated family child care.

Unfortunately, the NCCS was a one-time-only study, although it has been recommended repeatedly that such a study should become part of a regular cycle of child care data collection and analysis.

### ***Providing Home Child Care for a Living (Gilroy Inc., 1998)***

Produced for the Canadian Child Care Federation as a follow-up to the first child care Sector Study, *Providing Home Child Care for a Living* surveyed providers by phone who were working in the regulated and unregulated sectors, including those working in the child's home.

Highlights of provider characteristics comparing regulated and unregulated sectors include:

- In both regulated and unregulated settings, nearly all caregivers were women;
- In regulated child care the average age was 38, in unregulated it was 37;
- 87% of regulated providers had children living with them, 81% for unregulated;
- Regulated providers' reported their main reason for providing care was the desire to stay home with their own children. In unregulated arrangements, the main reason reported was that they liked children;
- A large majority in both sectors had a high school diploma (85%; 86%);
- In both sectors, about one-third had completed a postsecondary qualification;
- In unregulated child care, 1 in 10 providers had an ECE credential, 39% had taken training related to child care (excluding first aid).

On the attitude towards regulation:

- Among regulated providers the main reasons for becoming regulated were to obtain support services, increase professionalism and find families who need care;
- Unregulated providers were generally aware of the licensing option in their province;
- Among unregulated providers the most important reason for deciding not to become regulated was the desire to have control over their own work, while the least important was the freedom to accept more children.

Affiliation and support among unregulated providers:

- Almost 70% of unregulated providers reported some contact with other child care providers, 46% at least once a week;
- 11% of unregulated providers were members of a some form of child care group, network, or association;
- Public libraries were cited as the most available support/service for unregulated providers at the time.



## **The importance of licensing/regulation to quality of care**

Following Divine-Hawkins' (1981) landmark US findings on regulatory status and quality (described above), several studies (some Canadian) have reinforced the key role of regulatory status to quality. In Canada, research by Pence and Goelman (1991) and Pepper and Stuart (1991) have affirmed the importance of providers' regulatory status to the quality of care provided. As Kyle (2000: 57) explains, "although licensing providers does not on its own guarantee quality, research in both Canada and the U.S. does suggest the importance of enhanced regulatory, supervisory, educational, and network structures for all home child care providers." Kontos et al. (1995) sum up the relationship between regulatory status and quality in their book on family child care in the U.S.:

...the single best indicator of quality in family child care is the provider's regulatory status. Being regulated is strongly associated with the other important predictors of quality, such as training, membership in family child care networks, planning activities for children, using sound business practices, doing family child care for child-focused reasons, and choosing family child care as an occupation. All these factors combined appear to promote sensitive, responsive care giving on the part of providers (Kontos et al, 1995:205, quoted in Kyle, 2000: 57).

Data from the Quebec Longitudinal Study of Child Development further confirmed the relationship between regulatory status and quality. The authors highlighted "a wide gap between regulated and unregulated services. In contrast to the regulated child care homes that were part of CPEs (an agency model similar to Ontario's), unregulated home-based daycares appear less often among good-quality services and more often among those ranked as inadequate"(Japel, Tremblay, & Côté, 2005:16-17). Thus, the research evidence consistently points to a clear difference between the quality of regulated and unregulated home child care.

## **Studies of regulated home child care that address issues in the unregulated sector**

Research that has primarily looked at regulated home child care occasionally has had a secondary focus on the unregulated sector. These researchers are often interested in questions such as: what might encourage unregulated providers to join the regulated sector? And what can be done to improve conditions for providers working in both sectors? Some of the major reports on regulated home child care in Canada, including the largest study of quality in Canadian child care, have included recommendations on improving the safety, security and quality of home child care.

***You Bet I Care! Caring and Learning Environments: Quality in Regulated Family Child Care Across Canada (Doherty et al., 2000)***

*You Bet I Care!* was one of the most comprehensive studies of Canadian child care, investigating wage and working conditions, quality in centre-based child care and regulated family child care, and policies and practices in regulated family child care agencies. Report three of the study looked at quality in regulated family child care and pointed to the lack of incentives and presence of disincentives to becoming regulated. For example, the ability in Ontario to care for more children in unregulated settings than in regulated settings acted as a disincentive to becoming regulated. The authors also highlighted that “the main disincentive to becoming regulated is the expenditure incurred as a result.”(p.107); upgrading a residence, buying equipment, fencing in a back yard are all examples of expenses necessary for regulation that would take a toll on a family child care providers’ already low income.

*You Bet I Care!* made important recommendations to encourage unregulated providers to join the regulated sector (p 107) :

- We urge that the number of children permitted in an unregulated homes be reduced to no more than four, including the provider’s own under age 6, with a maximum of two children under the age of 2;
- Starting immediately, all jurisdictions must examine their existing policies and practices to identify those that act as disincentives for family child care providers to join the regulated system. Policies and practices that act as disincentives must be changed. In addition, all jurisdictions must immediately begin work on the development and implementation of policy and practices that will encourage family child care providers to join and remain in the regulated system, including the implementation of our Recommendations 7 and 8.
  - Recommendation 7 on Provider Income: Starting immediately, all jurisdictions must implement an income-enhancement grant for regulated providers. The grant amount must ensure that all providers working full-time and caring for four or more children receive, after child care-related expenses and before taxes, the equivalent of what would be earned, on average, by an entry-level staff person working full-time in a centre in the same jurisdiction.
  - Recommendation 8 of Provider Income: Starting immediately, all jurisdictions must begin providing start-up grants and annual operating grants to all regulated providers.

### ***Quality in Home Child Care Settings: A Critical Review of Current Theory and Research (Kyle, 2000)***

Kyle (2000) argued that Ontario's two-tiered home child care system – the agency model for some and the absence of regulation or support for others – creates “a differential, inequitable treatment of providers, and an inconsistent policy with regard to protecting children... [T]he lack of application of public standards to all non-relative caregivers can lead to inadequate and sometimes harmful care” (2000: 55). Kyle points out that it is “important to understand that child development happens wherever young children are” (2000: 88). Her recommendations include:

- There is a need to recognize that home child care plays a significant role in a comprehensive child care system so that efforts should be made to enable home based services to become better integrated with other child and family services in local communities. We need to work towards a more coherent, integrated child care system that is flexible, multi-functional and can offer a variety of service options to support all children and families.
- There is a need for regulation to recognize that all children cared for outside their families need protection from harm and abuse, not just those few whose families have access to services from a licensed agency. It is important that clear community standards for child care be developed over and above those held by individual parents and providers (2000: 89).

### ***Making Family Child Care Work: Strategies for Improving the Working Conditions of Family Childcare Providers (Cox, 2005)***

Written for Status of Women Canada, *Making Child Care Work* addresses issues faced by Canada's regulated family child care providers, particularly how their precarious employment status means that they lack access to protection and benefits of labour and employment laws. If adopted, many of the recommendations made by Cox to protect regulated providers would do 'double duty' by acting as incentives to becoming regulated.

- Make providers eligible for Employment Insurance benefits (maternity, parental, sickness).
- Develop tools to better defend the rights of family child care providers with regard to retirement income.
- Make known, starting immediately, the personal coverage already available in the event of work-related injury; then undertake measures to extend automatic protection in the event of such an injury to all regulated family child care providers.
- Investigate the conditions for success in sectoral models of collective bargaining.
- Carry out an evaluation of family child care providers' work to highlight the value of this work.

## **Looking beyond our borders: Pertinent literature about home child care in other countries**

### ***An international perspective on regulated family day care systems (Davis et al, 2012)***

This international review compared structural characteristics, regulatory approach, quality assurance indicators, supervision and support, and sector challenges in regulated family child care in ten countries: Australia, Canada, England and Wales, Germany, Ireland, Japan, Norway, New Zealand, Sweden, and the US. Some of the salient points from other countries' experience of home child care include:

- Structural characteristics such as employment status are different in other countries – for example in Sweden, 92% of regulated family child care providers are employees of local authorities rather than self-employed/contractors as they are in Canada. In Norway, 50% of regulated family child care providers are employees.
- Some countries provide more robust support for regulated family child care providers:
  - In Australia and New Zealand, coordination staff have a clearly defined role to provide professional leadership to a network of educators through monthly visits, ensuring an appropriate learning program for each child.
  - In Sweden, there is formal provider peer support, and providers often work in cooperation with centre-based staff, and attend various in-service activities with them.

The review also highlighted sector challenges that are experienced in some countries but not others. “Persistent and substantial use of unregulated care” was only identified as an issue in five of the ten countries: Canada, England, Wales, Ireland and the US – a sign that this challenge is not inevitable but rather a function of structural characteristics and political choices.

## **Summary and next steps**

This paper has provided a brief overview of the current policy and political context of home child care in Ontario and Canada. Through a comparison of the practical differences between regulated and unregulated child care in Ontario, we can see that rules governing unregulated child care are few and there is little to no oversight. The Ontario government has acknowledged that given consumer protection in other areas of the economy, parents may have misconceptions about the lack of safeguards in unregulated care. As well, through analysis of data from *ECEC in Canada* (Friendly, Halfon, Beach & Forer, 2013) we can see that spaces in regulated home child care have been dropping in Ontario since 2008.

We have reviewed the main research studies of unregulated home child care; as noted there are very few large studies that focus solely on unregulated care, some of which are now decades old.

That said, the available research on unregulated child care confirms that most providers are women who are often also caring for their own young children at home and have little formal training in early childhood education.

One of the key themes to emerge from the literature is the important relationship between regulatory status and quality. Research evidence on this point is clear: “the single best indicator of quality in family child care is the provider’s regulatory status” (Kontos et al, 1995).

Recommendations that have emerged from the literature on both regulated and unregulated home child care tend to focus on identifying policies that act as disincentives for family child care providers to join the regulated system. Recommendations in the literature include:

- Provide on-going permanent funding for home child care agencies so they can operate without charging providers for these costs;
- Provide start-up grants and annual operating grants to all regulated providers to offset the financial burden of becoming and remaining regulated;
- Implement an income-enhancement grant for regulated providers

Although Bill 10 was proclaimed by the Ontario legislature in December, 2014, the pressing need to address the issues of safety, security and quality of unregulated child care arrangements still remain with us. The child care community, which includes the coalition of groups under the umbrella of Campaign 2000: End Child Poverty in Canada, needs to come together to develop solutions and press for effective and lasting change. Now, as the government of Ontario develops its regulations that will guide the implementation of Bill 10, the *Child Care Modernization Act*, it is critical to recognize that legislation is necessary but by no means sufficient for the development and sustainability of the high quality, safe and affordable early childhood education and child care system that Ontario families need. From our review of the literature, it is clear that public policy – in Canada this would mean provincial policy as the lead government – sets the stage for the way child care services (home child care and centre-based care) are or are not developed.

Provincial governments would do well to begin a full policy process to develop comprehensive policy frameworks within which the necessary steps to address unregulated home child care would be included. An inclusive policy framework would lay out a provincial government’s vision, rationales, principles and long-term plans, funding and evaluation mechanisms. The policy process leading to a robust provincial child care policy needs to address key issues including: how the high quality child care workforce, including those in home child care, needed to deliver safe, high quality services will be ensured; how child care services will become affordable; and how the supply of services will grow to meet the needs of more than the 20% of children now covered by regulated, monitored services. It is within a full policy process that the

safety, security and quality of unregulated home child care services within a broader, affordable, more public system well best be determined.

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