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Risky business:

Child care ownership in Canada past, present and future

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Terminology used in this paper

Various terms are commonly used in Canada to describe the care and education of young children. These include child care, early childhood education and care (ECEC), early learning and child care (ELCC). More specifically, people refer to child care centres, part-day pre-schools or nursery schools, family child care, and school-age or out-of-school care. These are all used somewhat interchangeably in this paper. Early learning and child care (ELCC) and child care are both used to refer to care regulated or licensed by provinces/territories. In Canada, ELCC and child care are the current usual terms, while internationally, ECEC or child care are more common.

In this paper, the following terms, based primarily on legal definitions, are used:

Ownership/auspice The proprietorship and operating model of child care services. Child care auspice, or ownership types in Canada include for-profit, non-profit and public child care service provision, each of which has a number of sub-groups.

Public child care Publicly delivered child care services are owned and operated by a public (or "state") government body such as a municipality, school board or Indigenous governance organization rather than by a private non-profit or private for-profit entity.

Private child care Private child care provision includes all non-profit and for-profit child care services which operate as private entities (in comparison to public child care, or publicly owned and delivered services). In private child care, a private group of individuals (a co-operative or non-profit board) or an individual owner, partnership or corporation make decisions and undertake legal and financial responsibility for the child care service.

Non-profit child care Delivered by three kinds of non-profit organizations – non-profit, co-operative and charitable operations or organizations – which are legal entities. Non-profit child care operations may have only one child care program, or many locations.

Non-profit Established to provide services organized and operated for a purpose other than profit such as education or benefitting the community. Non-profit child care services are led by a volunteer board of directors who are legally responsible to its members (which may or may not include parents), to funders, to regulators and, in some cases, to other community organizations. Legally, any surplus or excess funds that exceed the cost of operation must be used to further the organization's stated purposes. When a non-profit organization ceases operations, assets such as property or equipment must be disposed of in approved not-for-profit ways, that is, donated or passed on for non-profit use, not used for private gain.

Co-operative A non-profit child care program can be a cooperative or "co-op" which has the stated purpose of meeting the collective needs of its members. Co-ops can be non-profit or for-profit but co-op child care programs are ordinarily non-profit.

Charitable Some non-profit child care organizations are registered as charities. To do this, the organization must apply to the Canada Revenue Agency and demonstrate that its purpose(s) meets specified criteria such as the advancement of education and poverty relief. Among differences from other non-profit (non charitable) organizations are that charitable organizations may issue tax receipts, receive donations from other charities and donors and be exempt from charging HST for many services.

In some provinces, the terms of non-profit incorporation allow child care services to be privately owned and controlled but be legally incorporated as non-profits. These have been termed "masquerades" (Harvey & Krashinsky, 1984) or "fake" non-profits.

For-profit child care A legal entity, a for-profit child care operation is owned by an individual, a registered partnership or a corporation. Any surplus funds that exceed the cost of operation are considered profits and may be distributed to the owner(s) or shareholders. For-profit child care operations include single owner-operator sites, small and large chains. They are also known as commercial child care.

Corporate child care Child care owned by a large corporate-type entity incorporated as a privately held company or publicly traded on a stock exchange, with shareholders. Sometimes colloquially called "big-box" child care, corporate child care operates multiple locations, sometimes across large geographic areas or multiple countries. Corporate child care is increasingly financed by private investment, property or equity firms.

Child care market model Child care provision characterized by low levels of public funding, heavy reliance on parent fees, demand-side public funding (vouchers/cheques/tax measures/individual parent fee subsidies), and limited public management and planning. In a market model, child care is treated as a commodity, not a right or entitlement, is not systematically planned and not treated as a public good or part of the social infrastructure.

Family child care Family child care in the private home of the provider may be regulated in all provinces/territories, or may legally operate without approval or a license up to a maximum number of children. Regulated family child care, also called home child care or day homes, operates in Canada under two models: individual provincially/territorially licensed homes or under an agency model. In an agency model, individual providers in their homes are under the supervision of a provincially/territorially licensed or approved agency, depending on the jurisdiction. Agencies may be operated as public entities (in Ontario) or as incorporated non-profit or for-profit entities. In this paper, individual family child care providers are not considered to be for-profit entities whether they are individually licensed or working with an agency.

Foreword

I was rapporteur for the Canada Country Note that was part of the Organisation for Economic Co-operation and Development (OECD) review of early childhood education and care published in 2004. Amongst our recommendations for Canada were "*to strengthen the federal/provincial /territorial agreements*" and to "*substantially increase public funding of services for young children, ensuring the creation of a transparent and accountable funding system*".

Since the 2004 Canada report, there have been many changes in the nature of early childhood provision. Prompted by research into child development, there has been widespread acceptance by all major international bodies with a remit for children – the OECD, UNICEF, WHO, World Bank and UNESCO – that early years provision is an essential foundation for later education, and that governments have an obligation to fund it. But simultaneously, there has been a growth of non-state provision. Although governments may be responsible for funding, regulating and monitoring early years provision – and education more generally – as part of a necessary complement of public services, they do not necessarily directly provide early childhood services directly. Service provision can be, and is, contracted out to a variety of organizations, profit and non-profit, providing they meet regulatory obligations.

However, the funding and regulatory regimes are often inadequate to meet the mushrooming non-state sector. My own country, the U.K., presents particular problems in this respect. For the last 15 years the for-profit sector has been encouraged to expand to meet the need for early childhood services. This has had two main effects. Firstly, the market has consolidated. That is, many small for-profit providers have gradually been taken over by larger providers, until the point has been reached where the majority of child care and early education places— more than 53%—are being delivered by large child care companies. Secondly, the evidence demonstrates that corporate provision, (at least 13% of which is international or provided by global companies) is both inequitable and unaccountable. Low income families have been squeezed out in the interests of profit, and companies are not obliged to explain or account for their policies on staffing, admissions, catchment, curriculum or any other matter, other than the minimal baseline set by the regulations. The regulations do not have proper monitoring provisions, and there is widespread acknowledgement, even by the regulatory body itself, Ofsted, that the situation is unsatisfactory.[1]

As Canada is on the cusp of becoming an important global leader in the way it handles early childhood education and care in a complex federal system, this report recalls the recommendations put forward in the OECD review. It evaluates the progress that has been made in promoting and elaborating ideas about what is necessary for quality early childhood services, and how they might be delivered. It summarizes the current situation in Canada. It highlights the difficulties of supporting for-profit organizations, and suggests ways forward for Canada to avoid the pitfalls that non-state provision has presented in countries like the U.K., Netherlands and Australia. This report is an important field guide.

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1 Simon, A., Penn, H, et al (2021) *Acquisitions, mergers and debt: The new language of childcare*. London. Nuffield Foundation. Forthcoming.

Executive Summary

The issue of ownership, or auspice, of child care centres has long been one of the most hotly debated child care policy issues in Canada, shaping provincial and national debates about child care since the 1970s. Since that time, many OECD countries moved towards more public ownership, more public management and more public funding of early childhood education and care. As a result, their child care provision evolved to become more systemically funded, more reliable and organized, and became more (if not perfectly) equitable. At the same time, however, international trends towards privatization and financialization of care have become an increasing part of the child care landscape in many or most countries, becoming dominant in some. This trend has been part of a pushback against public services, public management and public accountability, all of which mitigate against gaining profits.

In the 2020 Throne Speech, the Government of Canada pledged "to build a high-quality, affordable and accessible early learning and childcare system across Canada" (Government of Canada, 2020). The 2021 federal budget then committed the Government of Canada to substantial, long-term financing and to working with "provincial, territorial, and Indigenous partners to build a Canada-wide, community-based system of quality child care…in a transformative project on a scale with the work of previous generations of Canadians, who built a public school system and public health care" (Department of Finance, 2021). As Canada contemplates investing significant sums of money to transform early learning and child care in an ambitious undertaking embraced by many as "historic", the question "how will this happen?" has been posed. As part of this, "who will provide child care?" is one of the considerations that will ultimately determine whether Canada "gets the architecture right" and is able to achieve the government's goals.

This paper aims to stimulate the policy debate by providing insights about what is known about this important policy issue. It argues that valuable lessons can be learned from the Canadian and international research, analysis and experience on the issues associated with child care ownership or auspice. As an aspirational, more publicly funded, more publicly managed Canada-wide child care system is envisioned, substantial expansion of the supply of services will be needed to make child care more accessible. Thus, to make the best policy decisions, it is crucial to examine the evidence about the challenges, impacts and risks of relying on market-driven, for-profit child care for achieving accessible, affordable, quality, inclusive, flexible and equitable provision of child care.

The paper concludes that – based on all we know about building the foundations for a publicly funded, quality, universal child care system in Canada – advancing for-profit child care is a risk, not an asset.

This paper first examines the idea of a child care market model, and the role for-profit child care plays in a child care market. It sets out a framework for considering the effects of operating child care on a for-profit basis on quality and equity, on the efficiency of spending public funds on it, and on the problem of the ethics of gaining profits from caring for vulnerable people such as young children. It then discusses the financialization of child care, as international private equity corporations, firms specializing in profitable acquisitions and real estate interests have come to play enhanced roles in the child care equation. A brief history of for-profit child care in Canada and Quebec is included. A review of the research evidence base discusses selected literature including research and analysis from Canada and international literature. It then compares the issue of profit-making in long-term care to child care, noting similarities and differences. An appendix including a profile of each province/territory focusing on child care ownership is provided, which allows examination of the effects public policy has played in how child care ownership has developed across Canada.

The paper concludes that – based on all we know about building the foundations for a publicly funded, quality, universal child care system in Canada – advancing for-profit child care is a risk, not an asset. It argues that the most useful solution going forward would be to adopt a three-part plan. This would entail, first, maintaining and funding the existing supply of licensed child care, public, non-profit and for-profit; second, ensuring more vigorous, publicly managed regulation including establishing affordable provincial/territorial parent fees and wage scales to ensure decent compensation for staff, as some provinces already use for all services; and third, limiting future expansion of the supply of child care services to public and non-profit providers while simultaneously pursuing new, proactive, planned public strategies for developing early learning and child care services when, where and for whom they are needed.

Whether child care is for-profit or non-profit is not the only policy issue that determines whether children and families benefit from responsive, high quality early learning and child care services in an accessible, equitable manner. Yet it is a fundamental policy choice that influences how well other key structural policy elements function to create the accessible, quality, equitable early learning and child care needed to serve Canada society into the future.

1 Introduction

Ownership is a fundamental issue for child care policy

The issue of ownership, or auspice, of child care centres has long been one of the most hotly debated child care policy issues in Canada. It has shaped provincial and national debates about child care since the 1970s and has re-emerged in every decade since. Over the years, many OECD countries have moved towards more public ownership, more public management and more public funding of early childhood education and care. As a result, their child care provision has become more systemically funded, more reliable and organized, and has become more (if not perfectly) equitable. At the same time, international trends towards privatization and financialization of care have become part of the child care landscape, pushing back against public services and public management, which mitigate against deriving profits, in many countries – some more than others. In some countries, privatization and financialization dominate child care provision.

In the 2020 Speech from the Throne, the Government of Canada pledged "to build a high-quality, affordable and accessible early learning and child care system across Canada" (Government of Canada, 2020). A federal budget, which followed in April 2021, committed the Government of Canada to substantial, long-term financing and to working with "provincial, territorial, and Indigenous partners to build a Canada-wide, community-based system of quality child care. This will be a transformative project on a scale with the work of previous generations of Canadians, who built a public school system and public health care" (Department of Finance, 2021).

As Canada contemplates investing historic sums of money to transform early learning and child care into a functional, equitable model, valuable lessons can be learned. A key issue that will be decisive for how child care evolves in Canada is the issue of ownership, or auspice, of services. Lessons about auspice, and policy successes and challenges can be learned from other countries—both those with well developed child care systems and those relying on child care markets. There are also special benefits in examining Canada-specific research, analysis and experience, as there is considerable variation on the issue of auspice across Canada's provinces and territories including Quebec (see Appendix 1 in this report for a profile of auspice in each province and territory).

The paid and unpaid care economy – the social infrastructure underpinning physical, social, psychological, and economic health – is pivotal to how Canada's economy and society are able to function. A definition of the care economy refers to "the sector of economic activities, both paid and unpaid, related to the provision of social and material care", including care for children, the elderly and the disabled (Peng, 2018). Important lessons for early learning and child care can be learned about ownership issues by examining the care economy more broadly, considering similarities and differences between child care and other sectors such as long-term care, especially as its functionality has been challenged during the COVID-19 pandemic.

Insight into Canada's child care situation has been significantly informed by the COVID-19 pandemic, which brought two realities front and centre for families and political leaders. First, it highlighted how essential child care is for children and families, and for recovering a strong economy post-pandemic and maintaining 30 years of progress on women's equality. Second, the pandemic underscored how much Canada's approach to child care provision has failed. The child care crises Canadian families and service providers have experienced have been in large part because Canada has not yet brought early learning and child care policy and provision into the twenty-first century. As the variety and number of Canadians of all political orientations calling for accessible, affordable, quality and inclusive early learning and child care for all has ballooned, and federal, provincial/territorial governments have indicated their interest in making significant changes to early learning and child care, the question "how will this happen?" has become key. As part of this, the questions: "who will provide child care?" and, more specifically, "how will child care be delivered, publicly or privately, and what types of private organizations are best placed to be entrusted with this responsibility?" will inevitably be part of the considerations.

Today a wealth of evidence, analysis and experience from within Canada and internationally sheds light on the effects, issues and risks associated with operating child care on a for-profit basis. As Canada develops a more ambitious, much more publicly funded cross-Canada child care system, it will need to substantially expand the supply of services to make participation more accessible and equitable. Thus, it will be important to carefully consider the available evidence and experience in order to make the best policy decisions.

What this paper will cover

This paper is intended to inform public and policy debate about how to move early learning and child care policy and provision forward across Canada. It discusses ownership or auspice of child care as a legal, philosophical and pragmatic concept. It recognizes that "auspice" in early learning and child care includes a number of legal ownership types and sub-types. Public child care is defined in this paper as owned and operated by a government entity such as a municipality, school board or Indigenous governance organization.

Kindergarten too, in most of Canada[2], is publicly delivered but as the first level in the public school system, it is not as a licensed separate entity, as municipal child care is in Ontario. Both non-profit and for-profit licensed child care programs are "private", i.e., not public. For-profit entities may be small, owner-operated licensed centres or large corporate chains, or in between. In this paper, it is assumed that legally, they are incorporated as provincial or federal corporations with profit-making capabilities. Non-profits also may be one centre or large multi-site operations but as incorporated not-for-profits, must follow requirements about accumulation and disposal of profits and assets and about boards of directors.

This paper makes no assumptions about any particular or individual child care operation unless specifically citing evidence. It recognizes that some for-profit child care programs may emphasize quality, choose to support their workers at the expense of higher profits or have a commitment to serving families and the community as a matter of their individual choice. Nevertheless, the ownership or auspice of child care services, as an important broad public policy issue affecting cross-Canada child care policy going forward, is addressed as such in this paper. It should also be noted that from the perspective of this paper ownership, or auspice, is being discussed as ownership of the child care operation, not the facilities per se, as this is a separate, though sometimes related, matter. Finally, this paper includes only limited discussion of regulated family child care, which plays a role in child care provision in every province and territory.

With a commitment to informing evidence-based policy making, we first examine the idea of a child care market model, and the role for-profit child care plays in a child care market. The paper sets out a three-part framework for considering for-profit child care, then discusses the concept of *financialization* of child care. This is followed by a brief history of for-profit child care in Canada, followed

2 Kindergarten in Alberta is part of Early Childhood Services and may be delivered by a school board or a private non-profit or for-profit entity.

by a section reviewing the research evidence base, covering key selected relevant literature. This includes research from Canada and selected international literature, particularly from the last decade. For comparison, a chapter then examines profit-making entities in caring for the elderly in long-term care, examining similarities and differences to child care. The paper concludes with conclusions and solutions to consider as part of the policy process aimed at transforming Canadian child care. Profiles of the child care auspice landscape in each of Canada's 13 provinces/territories are included in Appendix 1, followed by Appendix 2, which identifies the early learning and child care literature examined for this paper.

This paper follows the practice of acknowledging and respecting the distinct perspectives, needs and rights of First Nations, Inuit, Métis Nation children, families, and communities, as well as acknowledging and respecting the perspectives, needs and rights in early learning and child care services and programming of all Indigenous people wherever they live but does not comment specifically on the issue of child care auspice in Indigenous contexts.

2 The policy context

Canada follows a child care market model

Peter Moss, one of the most influential thinkers in the global movement for early childhood education and care, has written about the "story of markets" in child care, which he describes as "about commodification, competition and (individual) choice" (2014: 5). A child care market model is characterized by low levels of public funding with heavy reliance on parent fees, demand-side public funding (vouchers/cheques/tax measures/individual parent fee subsidies), and limited public management and planning. In a market model, child care is treated as a commodity, not a right or entitlement, is not systematically planned and is not treated as a public good or part of the social infrastructure.

Gallagher, examining the growth of child care markets, described the neoliberal view of such markets:

> The particular neoliberal imaginary of the childcare market has …influenced debates over the last decade. This …is a significant departure from the notion of childcare as a public good… The market is purported to be the most 'efficient' means of meeting the changing needs of parents in dynamic working environments. In this form of the market, the private sector takes on a more prominent role. Increasing its involvement allows for new investment, particularly with regard to the cost of infrastructure, and is anticipated to offset reliance on a financially lean state. Under this arrangement parents are 'empowered' to exercise their consumer choice in seeking out the service that best fits their

> needs. Moreover, strengthening the ability for parents to choose and move between services is thought to generate competitive pressures amongst providers, which will increase quality and reduce costs (Gallagher, 2018: 707).

Child care researchers, and many others, have made the argument that "the market does not work" for child care, depending, of course, on how "what works" is defined, as this paper will discuss[3]. Economists Warner & Gradus (2011) have described child care as being a public, as well as a private, good. They examined voucher experiments that have led to growth and dominance of for-profit services in several countries, noting the complexity of "public goods" like child care. They conclude: "Parental choice in a market is not sufficient to ensure an adequate supply response in less profitable markets, or to ensure quality…The invisible hand of the disaggregated market does not coordinate effectively to deliver public goods such as access or quality" (Warner & Gradus, 2011: 572).

Child care ownership influences how well other key structural policy elements — universal, equitable provision, public financing, well paid early childhood-educated staff and democratic participation — function to ensure high quality and equitable access, as well as meeting key social and economic goals.

Today the market shapes just about every aspect of Canadian child care. Government's role to date has been relatively narrow – primarily limited to setting and monitoring regulations establishing legal, facility, programmatic and health and safety requirements and to providing some funding for some families or services. For-profit child care is only one component of a child care market (Friendly, 2019), and whether child care is for-profit,

3 See, for example, Cleveland & Krashinsky, 2004; Mitchell, 2019; White & Friendly, 2012; Yerkes & Javornik, 2018; and the collection of international papers in Lloyd & Penn (2012), especially the paper by Fairholm & Davis, who wrote about how child care staff labour shortages in Canada are generated by market failure.

non-profit or public is not the only policy variable that determines whether children and families have equitable access to high quality early childhood services. But child care ownership is a fundamental element that influences how well other key structural policy elements—universal, equitable provision, public financing, a planned approach, well paid early childhood-educated staff treated as professionals, a sound pedagogical approach, democratic participation, and ongoing quality assurance—function to ensure high quality and equitable access for families and children, as well as meeting key social and economic goals.

Practically, relying on a market model for child care in Canada means:

- Most of the cost of paying for most child care is carried by parents, not publicly funded;
- Much of the public funding that is available is delivered to, or paid on behalf of, individual parent-consumers in the form of payments to (or for) individuals such as parent fee subsidies and tax breaks. These include the federal Child Care Expense Deduction, Ontario's and Quebec's tax credits reimbursing family's child care fees, and the individual fee subsidies paid to services on behalf of parent fees in almost all provinces/territories;
- Only some child care is required to be regulated, as a number of kinds of child care arrangements and programs are excluded;
- Regulation follows a privatized "license to operate" model;
- Where, when, and for whom, child care services start-up or close-down are mostly private decisions, as there is little medium or long term planning based on need or demand (see Friendly, Beach, et al., 2020);

- Managing and sustaining child care services is a private responsibility, with volunteer boards of directors or entrepreneurs carrying the responsibility for financing and decision making;
- Many families rely on ultra-privatized unregulated child care arrangements such as unlicensed or approved family child care or nanny care, in which there is a limited public role, with public intervention or oversight occurring only upon complaint or a crisis situation;
- Twenty-eight percent of regulated child care centre spaces were operated by for-profit entities in 2019, with much bigger for-profit sectors in some provinces/territories. The for-profit child care sector grew from 20% in 2004 to 28% in 2019, with more and bigger chains expanding to make up the for-profit and non-profit sectors (Childcare Resource and Research Unit, 2020; Flanagan et al., 2013).

Three categories of concern about for-profit child care

As this discussion of child care markets points out, both non-profit and for-profit child care are private entities. However, within private child care delivery, it has been identified that private for-profit delivery brings significant risks and concerns — when compared both to public and non-profit programs. Prentice (1997) originally identified three main categories of concern characteristic of a profit-making approach to child care. The first concern is about erosion of quality by the drive to make profits. Second is the concern that diversion of public funds to private profits rather than using them for affordable, equitable, high quality child care is an inefficient way to use public funds. The third concern is that gaining profits from care services that are considered by many to be human rights is not ethical. Of final relevance is a linked issue of concern that has become relevant to child care – the rise of the financialization of child care. Concern about financialization also arises in other human and care services — health care, education, disability services, prisons and – most recently in Canada – long-term care. This set of concerns are discussed in more detail in the next sections.

Is for-profit operation associated with poorer child care quality?

Research and analysis in Canada and elsewhere consistently show that no matter how quality is assessed, quality differences between for-profit and non-profit child care emerge again and again. Research shows differences in structural characteristics and process quality (see the section reviewing this literature in this paper). This statement is not intended to suggest either that all public or non-profit child care is high quality or that all for-profit services are low quality. Rather, it observes that research and analysis consistently reveal a strong relationship between quality and ownership type.

As the literature review discusses in more detail later on in this paper, research shows that ownership type is a factor — often a significant factor — associated directly and indirectly with multiple factors linked to program quality including wages, working conditions, ECE training, staff turnover and morale, compliance with regulations, staff harshness/sensitivity, staff/child ratios and group size, as well as with parent fees. Staffing elements of child care programs – wages and benefits, working conditions, ratios, staff who are educated for the job — make up most of the expense in centre budgets, so deriving even a modest profit from child care tends to mean cutting back on these "expensive" program features. Thus, Canadian research shows for-profit centres are more likely to pay poorer wages and have fewer ECE trained staff, more non-compliance with legislated staff/child ratios and poorer process quality scores. Canadian research also shows that they are more likely to close down and to charge higher fees than non-profit programs. (See Cleveland & Krashinsky, 2004; Cleveland et al., 2007; Cleveland, 2008; Doherty et al., 2002; Drouin et al., 2004; Forer, 2018; Friesen, 1992; Japel et al., 2004, 2005; Kershaw et al., 2004; Macdonald & Friendly, 2021; Richardson, 2017). International research shows similar results in other countries as well (Mitchell, 2019; Soskinsky et al., 2007, 2012).

Economists Cleveland & Krashinsky have concluded:

> the overall conclusions…are that non-profit status makes an important independent contribution to quality in child care centres. In fact, non-profits differ from commercial centres in a number of important respects, including the ability to attract financial resources, the characteristics of children served and the inputs chosen by the centre to influence the quality of care provided. Each of these sets of factors does, in fact, affect the quality of care provided, classroom by classroom. However, non-profit status continues to have an independent effect as well. The difference between commercial and non-profit centres is the sum of all these effects (2004: 20).

Is funding for-profit child care an efficient and effective use of public funds?

The issue of "efficiency" is used here to refer to diversion of public child care funds as shareholders or owners take out portions of public funds for private use rather than ensuring that all funds are used for high quality, accessible, affordable child care.

Gallagher has described how government child care funds are used to fund private real estate acquisition in New Zealand, Australia and the U.K. as these countries saw the development of a "government-funded childcare market over the last twenty years, which has led to a boom in parental demand for childcare services and an exponential growth in private for-profit providers during this time" (2020: 2). Thus, an important efficiency question is: Is public spending on for-profit child care a good use of public funds? A second, related question is: Is it an effective way of delivering on societal goals?

Political scientist Deborah Brennan (2008a) has cited governments' expectations that encouraging for-profit child care would lead to reduced parent fees, increased diversity of provision, increased quality, and reduced government expenditures (that is, more "efficiency"). However, the opposite has been shown to be the case when for-profit child care dominates, as Brennan (2008b) and others have documented. When changes in child care funding in Australia facilitated ABC Learning Center's exponential growth from one centre to a global giant, diversity of provision decreased, parent fees skyrocketed, the workforce was exploited, quality was weak and the corporation lobbied government to keep standards low. Notably, a "significant proportion of ABC revenue came from taxpayer-funds" (OECD, 2006: 120). Lambert wrote in Forbes Magazine that public dollars funded 25% of corporate profits, noting "the honey pot is a growing stream of government money" (Lambert, 2007). Finally, when the child care conglomerate collapsed and was taken into receivership, the Australian federal government was forced to spend $22 million to keep needed centres functioning so parents could go to work. This case illustrating the inefficiency of publicly funding for-profit child care is especially well-documented but it is far from the only instance.

For-profit centres have also been shown to deliver "less bang for the buck" by being less likely to meet government's stated goals. This has been documented in the Netherlands, where substantial growth in for-profit centres crowded out public and non-profit provision following a shift to less regulation and demand-side funding. Noailly et al. (2007) linked the reforms—intended to stimulate market forces to provide more "parental choice"— to more unequal provision. Noailly et al's research showed how the expanded Dutch for-profit child care sector came to offer less, rather than more, choice for disadvantaged families (2007).

Yerkes & Javornik (2019) compared the effects of public child care spending in three "market" countries (Australia, the Netherlands and the UK) and three "public" countries (Sweden, Iceland and Slovenia). They examined dimensions of child care including accessibility, affordability, quality and flexibility, concluding "direct public service provision offers parents across socio-economic groups the best opportunities to arrange for child care in ways they have reason to value because it provides real choices" (Yerkes & Javornik, 2019: 533).

White & Friendly (2012) considered whether reliance on for-profit services is effective for meeting stated early childhood goals. They noted the disjuncture between stated goals and actual outcomes in early learning and child care in liberal-democratic countries (the U.S., the U.K. and Australia) using highly marketized approaches dominated by for-profit child care services. Using country case studies, they concluded that "governments may commit considerable public dollars to ECEC but will likely fail to achieve the high quality programs needed to deliver results" (White & Friendly, 2012: 306). Looking specifically at whether public spending is linked to affordability, a Canada-wide survey of parent fees found that – while non-profit and for-profit centres are funded equivalently in almost all provinces – parent fees were higher (sometimes considerably higher) in for-profit centres in almost every one of the 37 cities included (Macdonald & Friendly, 2021).

A specific efficiency concern about for-profit operations small and large is about acquisition of real estate, whereby public dollars are used to purchase private property instead of supporting services. Small-scale private acquisition of child care facilities with public funds is certainly inefficient as a public child care expenditure but there are larger, more systemic concerns when it comes to corporate and chain child care real estate acquisition. As Hall &

Stephens (2010) have described, funds from child care facility leasing and sales have fueled acquisition of more centres, with chains growing exponentially in the U.K. The lucrative real estate aspect of child care markets has been documented in Australia by Brennan (2007) and Gallagher has described how "an emergent property investment and sales market was identified as a significant factor shaping the changing frontier of childcare delivery" in New Zealand (2020: 5).

A final, related "efficiency" consideration is associated with the difference between disposition of the assets bought with public funds (grants or portions of operating funds) which could include real estate, buildings or equipment when for-profit and not-for-profit child care entities cease operation. In that instance, organizations incorporated as for-profits are not legally required, as non-profits are, to dispose of their assets according to rules for non-profits, for example, by donating them to another non-profit. Instead, owners may retain them or they may be distributed to share holders. Thus, disposal of assets is a private decision, as there are no rules about the disposal of assets bought with public funds that pertain to for-profit child care.

Is it ethical to treat child care as an opportunity for profit-making?

Health care, disability services, child welfare, in-home support services and long-term care– like early learning and child care – have long seen debates about whether profit-making in care sectors is ethical. These values-based debates include ideas about individual "choice" discourses, on the one hand, and conceptions about the "public good", human rights and democratic participation on the other. British early childhood education and care expert Helen Penn, contrasting a neoliberal, market view of child care with a more robust state role, has observed: "Prioritizing profit over the needs of vulnerable individuals such as young children or old and frail people, is viewed as morally repugnant and undermining of basic communal solidarity, citizenship and caring" (Penn, 2012: 19). Linda Mitchell has argued that decisions affecting early childhood education should be made through processes of democratic participation: "When the direction of the centre is determined by owners, and making a profit becomes a dominant purpose, the need for financial returns for business owners and shareholders minimises or overrides educational purposes that are centrally important" (2019: 82).

Sumsion, writing about the Australian experience with ABC Learning, used Ball & Vincent's "ethical audit" to assess and discuss it:

> Central to the notion of an ethical audit is the premise that considerations of the public interest should be viewed through an ethical lens that tries to find a way of balancing often competing interests, perspectives and goals, rather than simply focusing on primarily economic considerations (Sumsion, 2012: 213).

Ethical considerations are related to the idea that early learning and child care is a human right for children (Coalition on the Rights of the Child, 2018); the United Nations Convention on the Rights of the Child (CRC) is a main vehicle for considering child care as a child rights issue. The CRC's Article 18, which establishes an obligation for countries to take all appropriate measures to ensure that children of working parents have the right to benefit from child care is the most specific of a number of articles of the CRC pertinent to early learning and child care (Friendly, 2006); General Article 7, which addresses young children as rights bearers, is also important. Canada has typically addressed, and been reprimanded for, its child care provision as part of its regular reviews before the United Nations on this Convention. Early childhood education and care also figures in other important United Nations conventions and agreements particularly the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), as well as the Convention on Economic, Social and Cultural Rights, Education for All (EFA) and the Convention on the Rights of Persons with Disabilities.

Moss & Roberts-Holmes (2021), writing about how neoliberalism has profoundly permeated ideas about early childhood education and care over the past thirty years have appealed to values-based, ethical considerations in challenging the neoliberal paradigm:

> We need to reimagine early childhood education and care as a public good, a collective endeavour and a right of citizenship. We need to declare new images and new forms of governance that embody values of cooperation, solidarity, trust and democracy (2021: 1).

The financialization of child care

The idea of the financialization of child care is related to issues associated with child care market models and child care ownership by large corporations, going beyond these to the effects of particular financial practices. Financialization is generally used to mean that financial institutions have increased in size and influence relative to the overall economy, gaining strength as industrial capitalism has declined in relative importance in many countries. Krippner has used the term financialization to describe "patterns of accumulation in which profit accrues primarily through financial channels rather than through trade and commodity production" (2005: 174). Financialization is an augmentation of marketization as we have written about it in this paper and is related to the idea of the "commodification of everything" with regard to education, the environment, media, and culture in a 40-year era of neoliberalism that many commentators have challenged (see, for example, Sandel, 2012).

The term has been used to describe developments in a wide range of social and public policy areas including urban space, housing, food security, health care, long-term care and others but less so with regard to child care, although a number of studies and reports have documented the antecedents of the financialization of child care. For example, Farris & Marchetti (2017) have written about relatively recent developments in Europe showing that for-profit firms of different sizes, including large global companies, are increasingly seeking investments in care services including child care. They argue that this recent trend is linked not only to marketization but to more complex "corporatization". Specifically regarding child care, there has been relatively little comment on it to date. For example, in a comparative study of child care in market and non-market child care countries, Brennan et al. (2012) discussed how the diversion of revenue from child care purposes through financial manipulation by large financialized companies has led to poorer access for vulnerable families and poor wages and working conditions for staff (Brennan et al., 2012).

In financialization, an asset is anything that makes a profit, be it shoes, artworks, tourism, pesticides, or child care, rather than something that has intrinsic value for its own worth.

Financialization of child care is linked to what has typically been referred to as corporate, or "big box" child care. Corporate child care, as Penn and Mezzadri describe (2021), has been evolving from child care owned by large chains or firms that specialize in operating child care, to ownership of child care by large, often multinational companies that acquire, or bankroll, "assets" defined by their profitability, not their type. Thus, private equity and venture capital firms are involved, as well as firms specializing in profitable acquisition of "assets." In this model, an asset is anything that makes a profit, be it shoes, artworks, tourism, pesticides, or child care, rather than something that has intrinsic value or interest for its own worth (Penn and Mezzadri, 2021).

Interestingly, the pandemic, which exposed the sustainability crisis for child care centres in Canada and other marketized child care countries such as the U.K., the U.S. and Australia, also provided particularly good opportunities for acquisition of child care "assets", as non-profits and smaller for-profits alike were forced out of the market in some countries. *Nursery World*, a British child care sector periodical — reporting on the child care market during the pandemic's third wave — quoted one investor from a firm specializing in acquisitions:

> The childcare market remains robust, says the sales and marketing director at Redwoods Dowling Kerr (RDK[4]), especially when compared with other sectors. He noted "Private-equity firms who might be exiting hospitality are looking at child care saying 'this is a pretty Covid-resistant area' " (Goddard, 2021).

The financialization of child care has been examined in depth by a recent mixed-method research project at University College London's Social Research Institute. The project has been conducting one of the few in-depth analyses of child care financialization by the large corporate firms that now dominate British child care provision. The project researchers are examining "private sector childcare in England, investigating the fiscal, planning and other regulatory frameworks that govern the market, and exploring the nature and type of information, including fiscal information which is open to public scrutiny" (Project website: 2021).

This large research analysis had four workstreams:

Workstream 1 - Market reach, social impact and accountability
Workstream 2 - Financial analysis
Workstream 3 - Location and deprivation
Workstream 4 - Accounts of frontline managers

4 RDK is called the UK's "Leading healthcare and child care broker".

Using case study analysis, the project examined how medium to large for-profit child care companies operate compared to not-for-profit organizations with regard to how they gain and use their income (both public funding and parent fee income) and how accountable and transparent they are for these income sources. Forensic financial analysis of major nursery chains and their subsidiaries was used to examine specific financial questions, for example, how much is spent on staffing compared to forms of not-for-profit provision. The research also examined questions such as "Is there a fair and even distribution of private-for-profit provision?" "To what extent do these centres promote the participation of staff and parents/staff in nursery policy making?" "To what extent is access for vulnerable families facilitated?" and "What are the aims of the private sector and to what extent does the sector recognise questions of social impact and accountability?"(Simon et al, 2021, forthcoming).

The research report details how mechanisms such as acquisitions, mergers, borrowing and indebtedness used by the private sector owners of child care companies included in the study obscured detailed financial analysis. This, together with the absence of adequate data through sources such as Ofsted, the official agency that rates quality in educational settings across the U.K., ensures the prevailing lack of transparency. The research report also describes the content analysis carried out to examine the aims of the for-profit firms: It "looked for items on social impact; access for vulnerable and marginalised groups; concepts of fairness and issues of participation and accountability" but "found little evidence across the sector to indicate that these topics were of any sustained interest in the present child care market" (Simon et al, 2021, forthcoming: 34).

The report concluded that:

> …the medium-large for-profits are expanding through acquisitions but not necessarily creating new child care places. Additionally, many are in debt and making huge

> losses. This raises important questions about how public money is used and the wider sustainability of the child care sector (Simon et al., forthcoming: 57).

Helen Penn, one of the principal researchers on this project has written about this elsewhere, with Alessandra Mezzadri:

> The thrust of nursery provision is overwhelmingly in terms of business capacity and survival, profit and loss. Nurseries measure their success above all by whether they are financially viable. At the top end of nursery provision, where large nursery chains have become profitable enterprises, the actual nature of the business is almost an irrelevance; it is its capacity to make money that is of interest, whether through direct profits, that is fees from parents, or whether through a kind of asset management, bigging up the business so that it can be sold on later at a profit. In the U.K., big nursery companies, involved in a continual acquisitions and mergers cycle, backed by private investment banks, now dominate the child care market and are responsible for more than 50% of all child care places (Penn & Mezzadri, 2021).

Penn & Mezzadri (2021) describe one child care company engaged in "acquisitions, merger and debt" and backed by "loans from a quick turnaround investment company called Triple Point", which the child care companies' press release describes as "a lender that was able to move quickly on acquisition opportunities" (Penn & Mezzadri, 2021).

Child care financialization has to date been more developed in countries other than Canada and Canadian child care has not specifically been the focus of financialization analysis. However, 123 Busy Beavers and its evolution to today's BrightPath form an instructive Canadian case. Following its establishment in 2007 in

Canada by parent company ABC Learning, 123 Busy Beavers had financial backing from Australian, US and Canadian venture capital interests, big banks and real estate firms to set it on its way to becoming a publicly traded Canadian company (Canadian Union of Public Employees, 2007). The publicly traded company, renamed Edleun, then BrightPath, was acquired by U.K. child care giant Busy Bees[5] in 2011. Busy Bees 2021 strategy includes massive new financial backing through "£585 million-equivalent loan refinancing via joint global coordinators and physical bookrunners BNP Paribas and J.P. Morgan" (Flitman & Cox, 2021). This very much fits the financialization paradigm.

Another analysis of the phenomena that are part of the rubric of financialization of care is by Gallagher (2020), who has examined the "relationship between the privatization of child care services and the growth of the child care property market" in New Zealand. The author, a human geographer, observed that New Zealand's urban child care financialization was facilitated by public policy. Her study shows how investor interest is linked to the possibility of deriving value "not from providing childcare, but from rentiership[6] of the assets of the sector" (2020: 2). Gallagher noted that the conditions for this were set within urban child care markets by a combination of market-oriented public policy, high land values and limited options for relocation, which allowed assetization to occur. Gallagher also noted that:

> The assetization of childcare property also has wider societal implications as it is a means of deriving new forms of wealth from the crisis of care more generally... The state ultimately plays a complicit role in this as it funds, but ultimately devolves responsibility and

5 Busy Bees Holdings Ltd., which was – like 123 Busy Beavers – an offshoot of ABC Learning Centres was bought by international investment firm Ontario Teachers' Pension Fund in 2008, which is still its biggest shareholder.

6 Rentiership has been defined as "the extraction of income from the ownership, possession or control of assets that are scarce or artificially made scarce".

> accountability to the burgeoning for-profit sector to operate “efficiently” in the market (2020: 14).

Economists Tse & Warner (2020) have written about the use of social impact bonds to finance child care in the United States, as social programs such as child care have lacked public financial support. They have identified the many caveats about the pitfalls of social impact bonds (“reliance on performance-based management induces gamesmanship” and “may overly skew their focus toward meeting a quantifiable result”). But they note that “the most insidious cost of SIBs is their potential to financialize social services by marketizing the ‘public finance value’ of their vulnerable clientele” because they must produce a return for private investors based on quantifiable “success” (2020: 861). The authors describe how considering children as “investable” and child care as an “investable” service paves the way to financialization of the sector in a neoliberal reframing of the purposes and goals of early childhood education and care (Tse & Warner, 2020).

This section has described a framework for organizing concerns issues associated with for-profit ownership of child care, then discussed financialization as an emerging fear especially relevant to future developments in Canada as governments begin to build a quality early learning and child care system.

3 A history of the issue of auspice in Canadian child care

This section traces the issue of auspice in Canadian child care from the 1960s, through the 1980s, when demand for child care grew as a majority of mothers were in the paid labour force. It then describes how federal governments failed to establish a cross-Canada policy approach to child care in the 1980s, thereby entrenching an expanding market model. It discusses the first significant entry to Canada of corporate child care from Australia in 2007 and the growth of two side-by-side models of child care in Quebec.

Canada's first public involvement in child care

Although a few charitable child care centres had been developed in Canada in the late nineteenth century, the first 20th century child care development was during World War II. The federal government offered to share costs with provinces for day nurseries caring for the children of women working in essential war industries; these were municipal or charitable. The offer was taken up by Ontario and Quebec but the federal funding was withdrawn after the end of the war. All Quebec's wartime child care centres and many of Ontario's closed. However, mothers of young children didn't all exit the paid labour force as expected. Thus, the need for child care remained but there was little public policy or funding to support it.

The next federal entry to the child care field was through the Canada Assistance Plan, which served as Canada's national welfare legislation for three decades, introduced in 1966. It allowed cost-shared federal funding to be used by provinces to fund "preventative"[7] public and non-profit social services including child care services for eligible low income families. A 1973 federal report on child care by Health and Welfare Canada stated that in 1968, 75% of day care centres had been for-profit but that by 1973, this proportion had declined to 48% (463 centres). The *Status of day care in Canada 1973* noted that "there appears to be a clear trend towards non-profit day care assuming an increasingly important role in the day care field" (Health and Welfare Canada, 1973: 6).

TABLE 1 Sponsorship of centres (1973)

Sponsorship	Centres - No.	Centres - %	Spaces - No.	Spaces - %
Public	88	9.06	3,409	12.71
Community board	377	38.83	9,606	35.82
Parent co-op	43	4.83	1,245	4.64
Commercial	463	47.68	12,552	46.82
Total	871	100.00	26,811	99.99

Source: Reproduced from The status of day care in Canada 1973.

At that time, the for-profit sector was composed of small individual centres and small chains, not corporate entities. The first documented Canadian alarm bell about for-profit child care came in the late 1960s with the acquisition of Mini-Skool, a small Canadian child care chain by Alabama-based Kindercare. Mini-Skool had opened several centres in Winnipeg but was soon bought out by the U.S. corporation already trading on the New York Stock Exchange.

By the mid 1970s, Kindercare's political lobbyists were pressing Margaret Birch, Ontario's Minister for Social Development, to reduce staff-child ratios in Ontario. A grassroots advocacy effort led by the Day Care Reform Action Alliance successfully defeated the

7 Preventative in the sense of providing a service to prevent poverty.

proposed "Birch proposals" (Mathien, 2021). This is the first documented instance in Canada – but not the last – of lobbying activities by for-profit operators aimed at reducing child care standards similar to those subsequently documented elsewhere in Canada, the United States and Australia (Klein, 1992; Brennan, 2008). It also foreshadowed the corresponding campaigns of the child care advocates who envisioned universal, publicly funded child care and representatives of what was then a budding Canadian for-profit child care industry.

Kindercare — dubbed Drive-In Day Care by *The New York Times* (Lelyveld, 1977) — intended to open 2,000 centres in the "North American market" by 1986. The Canadian media noted that "those opposed to corporate day care say it will jeopardize the quality of care and introduce unqualified staff and low education and health standards" (Windsor Star, June 8, 1982). Kindercare's Ontario Mini-Skool chain centres were unionized by the Ontario Public Service Employees Union (OPSEU) early in the 1980s and experienced a bitter five-month long strike in 1983. Following the strike, a combination of ongoing pressure by the emerging national child care advocacy movement – which made opposition to for-profit child care one of its defining issues from the beginning – the conditions of the federal Canada Assistance Plan (CAP) favouring public and non-profit child care, and subsequent Ontario provincial policy meant that neither Kindercare nor for-profit child care grew substantially in Ontario.

Canada's child care market grows

Throughout the 1980s, as the cross-Canada child care movement coalesced, the issue of for-profit child care was a divisive issue provincially and nationally as two successive federal governments—Pierre Trudeau's Liberals and Brian Mulroney's Progressive Conservatives—each studied child care and issued national reports. But the recommendations of both the Liberal Task Force on Child

Care – which proposed restricting direct operational funding to public and non-profit child care, and of the Conservative's Special Committee on Child Care, which was neutral regarding for-profit child care, died with two successive federal election calls (Cooke et al., 1986: 373; Special Committee on Child Care, 1987).

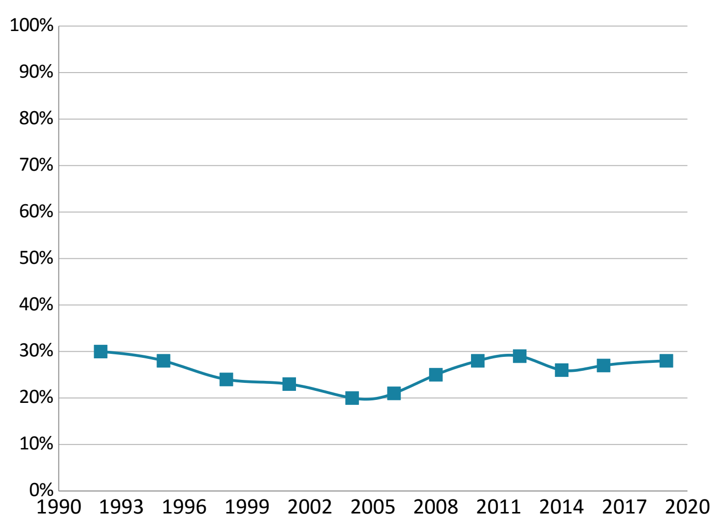
After the 1988 federal election, child care was off the national political agenda again, where it continued to languish throughout the remainder of the later 1980s and the 1990s. In the mid 2000s, when it became evident that the rapidly growing Australia-based ABC Learning Centers would enter the Canadian child care market as part of its aggressive global expansion campaign, the issue of for-profit child care was reinvigorated in Canada. The ABC case raised broad questions about child care marketization, globalization, and how child care fits into discourses about conceptions of society, private markets and the role of government – issues that remain relevant today. It also foreshadowed the issue of what was not then, but has now come to be called, financialization.

The ABC case raised broad questions about child care marketization, globalization, and how child care fits into discourses about conceptions of society, private markets and the role of government – issues that remain relevant today.

The Australian exemplar, in which publicly traded child care corporations grew, merged and re-merged to become the darlings of the Australian stock market was something new—even in comparison to the significant growth of for-profit and corporate child care in the United States in the 1970s and 1980s (Klein, 1992). As child care experts watched, much of the Australian non-profit and small business child care sector was acquired and replaced by a publicly funded, publicly traded and very profitable "big-box" child care market. This came to be led by ABC Learning Centers, which grew from one centre to a near-monopoly, ringing alarm bells about child care globalization in a new way. ABC's Canadian chain, called 123 Busy Beavers Learning Centres when it was registered in Canada in 2007 was financed by Canadian and American venture capital and real estate companies (Canadian Union of Public Employees, 2007). But soon after its entry into Canada, the Australian parent ABC Learning company, together with the firm's many linked companies, specializing in everything from real estate development, facility centre construction, leasing and maintenance, and in-house ECE training, began to disintegrate. The conglomerate's spectacular collapse included the company being taken into receivership, huge financial losses for investors and a costly bailout by Australia's national government. As an Australian daily observed, the ABC Learning case "pitted money against care" (Kirby, 2008).

In the 2000s, Canada not only saw the emergence of corporate child care but also growth of smaller and medium size chains or multi-site operations both for-profit and non-profit (Flanagan et al., 2013). Following the Harper government's 2006 cancellation of the

FIGURE 1 **Percent of regulated part and full day spaces for 0-12 year olds that were for-profit. Canada. (1992 – 2019).**

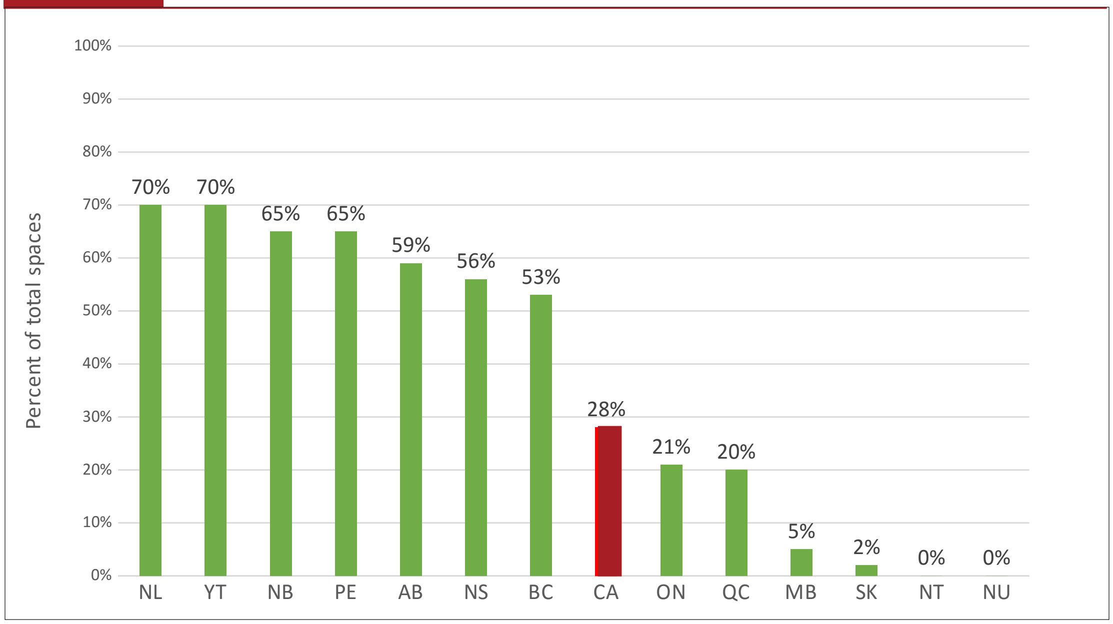


Source: Early childhood education and care in Canada 1992 - 2019.

Paul Martin Liberal's national child care program, growth in supply of spaces and public financing slowed down considerably (Friendly & Beach, 2013). Until about 2004, the proportion of spaces represented by for-profit child care had been dropping steadily, down to 20% of all centre spaces in 2004. This left room for-profit operators to fill the policy and service vacuum created by the substantial unfilled demand for child care. Expansion of the for-profit sector began to rise again beginning in 2006. Thus, while 20% of child care spaces were operated on a profit-making basis in 2004, by 2019, the for-profit sector claimed 28% of regulated spaces across Canada as a whole, as Figure 1 shows.

Figure 2 shows, however, that there are considerable provincial/territorial differences in the relative prevalence of for-profit and non-profit child care. The provincial/territorial profiles in this paper (Appendix 1) illustrate how differences in public policy have shaped this.

FIGURE 2 **Percent of full and part day centre spaces for 0-12 year olds that were for-profit. Provinces/territories/Canada. (2019).**



Source: Early childhood education and care in Canada 1992 - 2019.

The development of child care in Quebec

One of the most important, and best known, points of reference in Canadian child care has been the development of the Quebec child care system, which has now evolved to provide an in-house natural comparison between two child care auspice, funding and regulatory systems operating in the same geographical space. The first system is what is popularly known as the "Quebec model" of child care introduced in 1997 – the publicly funded, mostly non-profit system of *centres de la petit enfance* (CPEs), with low, provincially set parent fees, at $8.50 a day in 2021. The second system, intended to encourage development of a for-profit, non-operationally funded, market fee sector in which parents are reimbursed for their spending on fees through a refundable tax credit, began in 2008.

The original "Quebec model" began to fund child care operationally with $5/day parent fees for all children for whom a space was available at the end of the 1990s. Initially, the Parti Québécois government placed a moratorium on new for-profit child care licenses and announced that there would be no funding to the for-profit sector. However, although the main thrust was to develop non-profit child care:

> the government reached agreements with most of the licensed for-profit day cares in operation in June 1997 to retain their for-profit status and to sign contracts to provide reduced-fee child care spaces (Japel & Whelp, 2014: 58).

Pressure to develop additional new services grew as parents surged to enroll their children in the new $5/a day child care centres. The 2003 election of a conservative-minded Liberal government, which lifted the moratorium on new for-profit licenses, led to a flood of growth in for-profit spaces and eventually to development of the second child care tier (Beach et al., 2009; Japel & Whelp, 2014).

Development of the second tier was facilitated by an enhanced parent tax credit in 2009. Parents using these centres are reimbursed for fees paid through a refundable tax credit based on family income. The differences between the two tiers are notable, both in parent fees and in significant differences in quality (See the section on Quebec-specific research in the literature review section in this paper).

When the Government of Canada framed its 2021 commitment to develop a universal early learning and child care system with the idea of "learning from Quebec", it focused heightened re-interest in the details about Quebec child care. In an article written in this context, Cleveland, Mathieu & Japel described the shifts in policy in Quebec:

> An existing tax credit for child care expenses was made more generous for those not using Quebec's low-fee services. This move attracted for-profit providers who wanted to be outside of the low-fee system (which also had greater regulation of quality and monitoring of performance) (2021).

4 A review of selected literature on child care auspice in Canada and internationally

This section reviews selected research and analysis on child care and auspice. It is not exhaustive but focuses on selected key research and analysis available in peer-reviewed and significant "grey literature" published sources. There are many additional position, advocacy and policy papers, news stories, explanatory documents, further research, and other materials on this topic that are not included here. Additional literature reviewed for this paper is listed and described in Appendix 2.

This section builds on a compilation of literature published in 2011 by the Childcare Resource and Research Unit. It includes earlier research where it is appropriate and significant, especially in Canada, where recent research is limited. The material has been organized under two main headings: Canadian research[9], which is mostly related to child care quality, and international literature, much of which focuses on child care policy and structures at a systems level.

9 Recent Canadian research that includes substantial discussion of the issue of auspice but with a main focus on broader issues includes: Beach, J. (2020). An examination of regulatory and other measures to support quality early learning and child care in Alberta. Muttart Foundation; Prentice, S. (2016). Upstream childcare policy change: lessons from Canada. Australian Educational Leader, 38(2), 10; Cornelisse, L. C. (2015). Organizing for Social Policy Change: Child Care Policy Advocacy in Canada (Doctoral dissertation, Carleton University); Pasolli, K. E. (2015). Comparing child care policy in the Canadian provinces. Canadian Political Science Review, 9(2), 63-78; Turgeon, L. (2014). Activists, policy sedimentation, and policy change: The case of early childhood education in Ontario. Journal of Canadian Studies, 48(2), 224-249.

Canadian research

As noted, a main focus of Canadian research on auspice has been on program quality. Quality is an important consideration in child care, as child development research shows conclusively that "quality matters" – good quality benefits children while poor quality may be detrimental (see, for example, Shonkoff & Phillips, 2000). Thus, research from Canada, the United States, New Zealand, the United Kingdom, the Netherlands, and Australia that shows quality differences between for-profit and non-profit child care is of interest. These differences hold whether quality is measured with observational tools such as the Early Childhood Environmental Rating Scale (ECERS) that measure "process quality" or assessed using structural predictors of quality. Mainly, research examining child care variables across multiple jurisdictions shows that not-for-profit child care is likely to be of better quality than for-profit child care. Research suggests that auspice plays a key role in determining whether program quality will be higher or lower through its impact on wages, working conditions, ECE training, staff turnover, staff morale, staff/child ratios and group size.

Research on child care across multiple jurisdictions shows not-for-profit child care is likely to be of better quality than for-profit child care. Auspice plays a key role in higher or lower program quality through its impact on wages, working conditions, ECE training, staff turnover, staff morale and staff/child ratios.

Among Canadian studies, several stand out. A 2004 study by economists Cleveland & Krashinsky used the Canada-wide dataset from *You bet I care!*, the sole Canadian study linking cross-Canada data on the child care workforce to structural and process quality[10]

10 *The You bet I care!* study, published in 2000, collected workforce data in all provinces/territories and process quality data in seven provinces/territories including New Brunswick, Quebec, Ontario, Saskatchewan, Alberta, British Columbia, Yukon..

(Doherty et. al, 2000). Cleveland & Krashinsky (2004) calculated ECERS[11] scores in non-profit centres to be 10% higher in quality than for-profit centres, with for-profit centres overrepresented among lower quality centres. They concluded, “the positive impact of non-profit status on quality is persistent, even when a wide range of variables is held constant” (Cleveland & Krashinsky, 2004: 13), finding that non-profit centres did better on all measures, with greater auspice differences for infants and toddlers. The greatest differences were on measures and sub-scales concerned with children’s personal care, use of materials, activities and teaching interactions linked to language development, teacher interactions with children, staff communication with parents and supporting the staff needs. When other factors associated with quality such as jurisdiction, child population, financial resources, and higher staff education were taken into account, non-profit centres still scored higher.

In another analysis of the *You bet I care!* data, Doherty et al. (2002) examined two hypotheses offered to explain quality differences by auspice: 1) non-profit centres have greater access to government funds and low-cost facilities, therefore have more resources to provide quality programs, and, 2) non-profit and for-profit operators have different organizational goals, leading to between-sector differences in organizational structures, behaviours, and characteristics. This analysis also explored whether centre quality is influenced by the interplay between auspice and provincial/territorial context. It concluded that for-profits’ lower quality ratings do not simply result from poorer access to financial resources. Quality is affected by behaviours such as hiring more untrained staff, paying poorer wages, generating higher staff turnover and lower morale, as well as program characteristics such as poorer ratios (Doherty et al., 2002).

11 The Early Childhood Education Rating Scale (ECERS) is a widely used observational tool that rates a series of activities in a child care room.
See https://ers.fpg.unc.edu/scales-early-childhood-environment-rating-scale-third-edition.

Cleveland et al. analyzed four Canadian child care datasets and found "strong patterns of non-profit superiority in producing quality child care services across all the data studied" (2007: 6). Cleveland also analyzed City of Toronto Assessment for Quality Improvement[12] (AQI) data from centres providing subsidized child care (2008). Again, he found non-profit quality consistently higher than for-profits, while municipal centres showed the highest quality across all age groups. Cleveland noted "clearly, the differences in input choices (wages, staff training, use of funds) of non-profit centres contribute to their quality advantage over commercial centres" (2008: 9).

In Varmuza's (2020) PhD dissertation, City of Toronto Assessment for Quality Improvement (AQI) data on municipally operated, non-profit and for-profit centres providing subsidized child care was again examined, in this case, the stability of quality ratings of 1,019 preschool classrooms over three years. This analysis found significantly lower staff wages and lower proportion of staff with ECE credentials in for-profit centres. Comparison of the quality scores across centre types showed non-significant differences between non-profit and for-profit centres in the baseline year but significant differences between the municipally operated centres and the others. The author noted a caveat that "the data used…was restricted to centres with agreements to provide service to subsidized children[13] and represent only about 70% of all preschool-age programs in Toronto" (Varmuza, 2020: 92).

A number of Quebec-specific studies have compared quality in non-profit and for-profit centres. An overview summary of the body of Quebec research on quality issues was summarized by two Quebec child care quality researchers: "Quality levels vary significantly according to the type of child care setting: early childhood

12 The AQI is the City of Toronto's centre quality rating system.
13 Centres must achieve a specified City of Toronto quality rating to be granted a subsidy agreement, so it should be assumed that the group of centres used in Varmuza's research did not include centres that fell below this quality criterion.

centres generally offer better quality services than for-profit" (Japel & Whelp, 2014: 60).

The *Etude longitudinale du développement des enfants du Québec* (ELDEQ), using the ECERS, and the *Grandir en qualité*, using a Quebec-developed four-point quality scale, both found Quebec's for-profit centres offered consistently poorer quality than non-profits (Japel et al., 2004, 2005; Drouin et al., 2004). The *Grandir en qualité* study showed for-profit child care not only was poorer quality overall — scoring lower on all sub-scales — but lower on global evaluations as well. Drouin et al.'s (2004) study, like Cleveland & Krashinsky's (2004), also found for-profit centres to be greatly over-represented among "unsatisfactory" centres; for-profit infant care was more likely to be of unsatisfactory quality at eight times the rate of non-profits.

A study conducted by the *Institut de la Statistique du Québec* (ISQ) in 2015 is of particular interest because it was conducted following the development of the second tier of child care centres. As this paper discussed earlier, in 2008, Quebec began to offer a "natural experiment" for comparison between its operationally funded, set-fee, mostly non-profit *centres de la petit enfance* (CPEs) and a second "market" tier of child care centres–all for-profit, not operationally funded, not required to charge set fees, and relying on a tax credit to partly reimburse parents for fees paid. The ISQ study compared the two sectors. It rated 45% of non-profit centres with provincially set fees (CPEs) as "good or excellent", while 4% were "inadequate". In contrast, 10% of for-profit centres (*garderies*) used by full fee[14] parents reimbursed through a tax credit were rated "good", while 36% were rated "inadequate". Regarding compliance with educator training regulations: 87% of non-profit centres complied with a Quebec regulation requiring ECE training for 2/3 of centre staff

14 In Quebec, these are called "non-reduced contribution" centres. They are publicly funded through a tax credit reimbursement to parents rather than through operational funding and are not required to charge parents a provincially set fee ($8.35 a day in 2019).

but only 18% of full fee for-profit centres were compliant with this regulation (Institut de la Statistique du Québec, 2015).

In a 2017 analysis of Alberta regulatory issues, Richardson examined compliance with regulations based on data from an online tool posted by the Alberta government showing results of licensing inspections. Her research compares BrightPath with similar size non-profit child care centres in the community. Richardson's findings showed the for-profit centres were more likely to be reported as non-compliant with regulations, licensing inspection visits and critical incident investigations. Compared to the non-profit centres, BrightPath centres had "twice as many licensing inspection visits and four times as many non-compliances with provincial child care regulations; BrightPath's number of critical-incident investigations was over twice as high (31 investigations for BrightPath to 14 for the comparators). Even more striking, its complaint investigations were ten times more numerous (41) than those of non-profit centres (three)" (Richardson, 2017: 120).

Key differences between non-profit and for-profit child care have been identified with regard to child care workforce issues, where non-profits invariably are rated better: wages, benefits, working conditions, staff turnover, morale, satisfaction and education levels. Cleveland & Hyatt examined the effects of several variables including education and tenure, as well as auspice on wages. Their analysis found "the wage premium in different types of non-profits varies from 7% - 24%" (2000: 1). In addition to the data on the child care workforce generated by the 2000 *You bet I care!* Canada-wide study, a 2013 follow-up study titled *You bet we still care!*, also provided relevant data on the child care workforce across Canada. Flanagan et al.'s (2013) study collected data on structural variables but did not include process quality measures as the earlier study had. Doherty et al.'s (2000) study had found staff turnover rates in the for-profit sector to be almost double the rate for the non-profit sector across three teacher positions analyzed: assistants, teaching staff and supervisors (the 2013 study did not include data on turnover rates per se). Both studies found greater job satisfaction among educators in the non-profit sector. Flanagan et al.'s (2013) report found for-profit centres had greater challenges recruiting qualified staff and reported a somewhat larger average number of qualified staff leaving the centre compared to non-profit centres.

Matthew (2013) also used the *You bet I care!* dataset for her dissertation on the workforce in Canadian for-profit, non-profit and co-operative centres. This research supported previous findings regarding workforce differences by auspice and found higher wages, higher reported levels of workplace satisfaction, formalization (the extent to which roles and responsibilities are standardized and explicit), and better overall organizational influence in non-profit than in for-profit centres (Matthew, 2013).

In a 2018 Vancouver-based survey, Forer found both quality differences and differences related to the child care workforce between non-profit and for-profit auspice. Noting a caveat that for-profit centres had much lower response rates than non-profits, the Vancouver study found that staff in for-profit programs were "less well educated, had less ECE-related experience, were relatively underpaid (for those working with children only), and were less likely to be offered a variety of benefits, compared to those working in non-profit programs" (Forer, 2018: 8). Differences included not only hourly wages (especially when broken down by job roles), education, benefits and certification but differences by age (lower median wage, job mobility and tenure) in for-profits.

In a study conducted for a master's thesis, Romain-Tappin (2018) interviewed Ontario early childhood educators who had worked in both for-profit and non-profit centres. The participants reported receiving lower wages, poorer working conditions and recognition in for-profit centres, and reported the centres were more likely to be "unhappy" places. This study, although small, is consistent with other research in Canada and elsewhere (Romain-Tappin, 2018).

Finally, Macdonald & Friendly's 2021 report on fees in 37 large Canadian cities found that of the cities surveyed, almost every city showed higher median fees in for-profit centres—in some instances substantially higher—despite equivalent public (provincial/territorial) funding to the two. For example, the largest spread, in Surrey, B.C, for-profit centres charged 60% more than non-profits. In the Alberta cities of Calgary, Edmonton and Lethbridge, for-profit centres' fees were 36% to 55% higher than non-profits. In each of the five Quebec cities included, parents using for-profit centres were found to be paying several times more than parents in the non-profit *centres de la petit enfances* (CPEs), even after reimbursement through the child care tax credit system was factored in (Macdonald & Friendly, 2021).

Overall, these selected studies, and others, from Canada's body of research examining the relationship of centre ownership to child care quality characteristics have found a variety of differences using different methods over a number of years.

International research and analysis related to child care auspice

In addition to Canadian studies on quality associated with auspice, there have been many studies addressing auspice issues in other countries. European studies tend to be policy analyses, although there are some empirical studies of quality and inequality issues among them, especially among the comparative studies included. This section organizes international research by country and includes the main OECD countries where child care follows a market model – the U.S., the U.K., Australia, New Zealand and the Netherlands. Each section includes a brief description of the countries' early learning and child care landscapes, with a small number of key studies included. A section reviewing a larger number of comparative studies follows.

United States

The United States is a federation in which each of the 50 states has the main responsibility for education and child care, although there is a National Department of Education. It has never had a national child care policy but has had some national presence in data collection, some funding and a 50-year-old national compensatory education program, Head Start. The U.S. has long had a mixed-sector child care market, with more than 70% of centres reported to be for-profit, and one-third operated by for-profit chains that are often publicly traded (Sosinsky, 2012). In 2020, the twelve biggest for-profit child care providers in the U.S. provided child care for more than 850,000 children in 5,900 centres (Child Care Information Exchange, 2020). Before 2011, a number of older key studies had found quality differences between for-profit and non-profit child care, including, for example, the National Child Care Staffing Study (Whitebook, 1989), while Sosinsky (2007) found quality differences between corporate chains, smaller for-profits and non-profits (Sosinsky et al., 2007).

A 2012 book chapter by Laura Sosinsky describes how the expansion of for-profit child care services has been predicated on low wages, low early childhood training requirements, low public support for social services, and a large pool of female workers, many racialized (2012: 138). Working in child care is remunerated very poorly in the United States, with for-profit services generating a profit by reducing their largest budget item – staff wages. Lower income families access services with lower fees, sometimes weakly regulated, that they are able to afford. Without public funding, or limited public funding, these low fee services also pay low staff wages, thus ensuring lower staff quality, and lower quality of care. This creates “unequal access to higher quality child care”, higher-income families are better able to select and afford services with more qualified and well-remunerated staff (Sosinsky, 2012: 139).

United Kingdom

The United Kingdom, England, Scotland, Northern Ireland, and Wales each has its own approach to child care. However, they have generally followed similar trends (Penn, 2013). Child care improvement has been a recurring item on the Scottish political agenda through several elections and separation referenda (Cohen, 2014).

In the last twenty years, the United Kingdom has heavily promoted the for-profit child care sector within a market based system in which the national government has played the role of "market manager" since the introduction of a voucher system in 1998 (Mclean, 2014). The 2005 *Child Care Act* further entrenched a market model, in which demand-side funds for child care were linked to individual parents rather than to supply-side operating funding (Penn, 2013). According to Penn (2013) and Lewis & West (2017), the U.K. government incentivized private providers coupled with deregulation in order to meet their goals for rapid expansion instead of supporting local public providers to meet targets for provision. For-profit chains were incentivized, with the largest 20 nursery chains having a market share of 10% in 2014 (Lewis & West, 2017). A 2020 report from the New Economics Forum reported 84% of child care supply being provided by private providers, "as a consequence of government policies with the express intention of accelerating the marketization of childcare" (Hall & Stephens, 2020: 3).

Much of the analysis of the United Kingdom's child care provision has been centred around the interplay between marketization, for-profit enterprises and deregulation. Reducing regulations has been a priority of the U.K. government in recent years, with the key minister stating it is not for government to say that one form of child care is better than another, nor to prescribe wage rates or quality of staff (Lewis & West, 2017). Lewis & West (2017) described how regulations have been conceptualized by the government primarily as an impediment to their expansion goals, not as a safeguard or support for quality. Deregulation efforts have supported the expansion of large for-profit providers, who welcome the opportunity to cut "red tape" and associated costs. In a market system with high demand, for-profit services treat "quality" as a marketing feature in which they can promote their elective quality accreditation as a value-added for customers, while lobbying against efforts to improve quality through regulation (Penn, 2011). Hall & Stephens noted that "the current approach to child care means that the state is significantly subsidising the private sector. The likely trajectory of policy is that this subsidy will increase" (2020: 4).

Australia

Australia is a federation with six states and two territories; responsibility for child care is at the state level but the national government typically plays a key policy, funding and data role. Australia has a national department of education, which includes early childhood education and child care.

Australia provides an especially well-documented case study which is similar in many ways to other jurisdictions regarding to the outcomes of a thoroughly marketized child care system that intentionally encouraged for-profit provision. (The Australia case study is also described in this paper's section on the history of for-profit child care in Canada). Beginning in 1988, the national government in Australia opened public funds to the for-profit child care sector (Logan et al., 2012; Brennan, 2008a). This spurred the rise of large publicly traded for-profit chains, which grew exponentially, mostly through acquisitions of smaller chains and single centres. Newberry & Brennan (2013) analyzed how ABC Learning created a business model in which child care was divided into property investors which owned the facilities and operating companies, such as ABC, which leased the properties and ran the child care services.

There were, in addition, multiple ancillary companies specializing in everything from construction to cleaning, to ECE training. All parties sought increasingly high profits and returns on investment, resulting in the property investors increasing rent, and the operating companies increasing parent fees and reducing core service costs. The firm also had close linkages with the property trusts which owned the buildings, and had secured exclusive contracts so purpose-built facilities could not be leased to other providers. This monopolization was enabled by Australia's government policies, which encouraged corporate risk diversification, and by the child care subsidy system, which had shifted to financing child care through demand-side payments to parents. These researchers noted that funds were funneled into corporate profits instead of to lower fees or to enhance quality services (Newberry & Brennan, 2013).

Press et al (2018) discussed how neoliberalism in early childhood education care has positioned Australian parents as consumers and how this has impacted the child care market. Irvine & Farrell (2013) noted that at a time when most countries saw a large increase in the demand for child care spurred by an increase of female labour force participation, Australia "turned to market theory and New Public Management principles to inform ECEC policy" (Irvine & Farrell, 2013: 1). Thus, the Australian government positioned child care as a commodity applying a business model to the child care system, which ultimately eliminated much of the care from the system. The results were far from the "increased choice for parents, reduced government expenditure, reduced fees, improved quality and diversity" hoped for by the Australian national government, as Brennan reported in a Canadian presentation (2008b).

TABLE 2 **Government goals in funding for-profit child care and outcomes**

Goals	Outcomes
More spaces	More spaces
Increased choice for parents	Diminished choice
Reduced government expenditure	Increased government expenditure
Reduced fees	Fee increases
Stimulation of private sector	Many driven out of business
Increased diversity of provision	Increased uniformity of provision
Increased quality	Downward pressure on regulations

Source: Brennan, 2008b.

New Zealand

In New Zealand, child care services are operated in a mixed-model market-based system with large corporate chains, sometimes imported from Australia, playing a significant role in provision. Linda Mitchell, a key New Zealand researcher, has conducted several studies showing the negative effects of this on child care quality and analyzed how for-profit services have been "encouraged under a market approach to provision, generous government subsidies, and few constraints on how funding can be spent" (2019: 85).

After decades of expanding for-profit services, the current government's Minister of Education identified "turning the tide away from a privatised, profit-focused education system" in the Terms of Reference to New Zealand's Strategic Plan for Early Learning (Goulter, 2018). Since then, New Zealand's Labour government has released an Early Learning Action Plan, which includes policies to improve educator remuneration and retention and increase ratios and staff qualifications but has taken no specific actions on reducing for-profit provision (Ministry of Education New Zealand, 2019).

Mitchell has noted that this declaration "opens the door for rigorous and research-based analysis of the problems with a market approach and for-profit provision and a move towards public responsibility" (Mitchell, 2019: 78), and there have indeed been several notable pieces of research and analysis on the topic, for example, Gallagher, 2018 and 2020, and Neuwelt-Kearns & Ritchie, 2020. Neuwelt-Kearns & Ritchie, writing from an anti-poverty perspective, have made a number of concrete recommendations, noting:

> Private for-profit providers are less likely to provide quality services across a range of indicators, including teacher qualifications, workloads and retention, teacher-to-child ratios, and cultural responsiveness. The profit incentive inherent in the private and corporate models means that the financial gain of investors, rather than the rights and needs of children, are prioritized. Poor quality services are more likely to be located in lower socioeconomic areas, which is troubling when we consider that gains from access to quality ECE are greatest among children from low-income households (2020: 17).

Mitchell has described policy levers that can "turn the tide" on for-profit care provision, including staff pay requirements, parental fee caps and increased financial accountability to government and parental bodies (2019: 85).

One of the effects of the privatization of the child care sector in New Zealand and elsewhere has been the emergence of child care property as a financial asset and opportunity for real estate investment. Gallagher (2020) described how in New Zealand, high urban land values, commercial lease conditions for child care property and the perceived security of the investment due to government funding to private child care services create conditions where "mom and pop investors" see child care real estate as a passive investment opportunity. The assetization and ultimate financialization of child care is only possible in a market-based system, and has consequences for the sector's sustainability and ability to provide quality child care for children, as Gallagher explained; conceptualizing child care properties as an investment opportunity creates rental contracts that seek to extract increasingly high levels of rent to make a profit for the owner—to the detriment of all child care providers and the system at large (Gallagher, 2020).

The Netherlands

In the mid 2000s, The Netherlands engaged in a process of privatizing child care. The 2005 *Child Care Act* introduced a national demand-side subsidy and deregulated child care programs under a parent "choice" rubric[15]. According to Akgunduz & Plantenga (2014a), these changes were intended to allow parents more choice to be able to select their child care arrangement, which could now be subsidized regardless of type, using a child care benefit demand-side payment (2014a). Child care availability and use increased after 2005 but process quality decreased over time as for-profit centres replaced public and non-profit provision and use of organized child care increased across socioeconomic groups but use patterns differed by income levels (Akgunduz & Plantenga 2014b). Noailly et al. (2007) also noted that privatization increased inequality. Compared to the period before the new *Child Care Act*, by 2006, child care services had shifted to residential areas with higher purchasing power, where privatized services had financial incentives to open to meet high demand. These researchers found the increase in child care provision to be mostly due to the large expansion of for-profit services and child minders, with closures observed in non-profit services operating in lower-demand (often low income) areas. A 2014 study by Helmerhorst et al., found a "significant and substantial decline in quality compared to 2005, with 49% of the groups now scoring below the minimal level" (2014: 1). Akgunduz and Plantenga (2014a), however, have argued that the decline of quality in Dutch child care centres was

15 An international seminar on changes to Dutch child care described this as "introducing a light touch on regulation" (See Childcare legislation in The Netherlands).

due to rapid speed of expansion post-2005, not necessarily a result of privatization. A comparative research study of the Netherlands and the U.K. by Eva Lloyd (2009) examined the negative impact of the market on child care accessibility, sustainability and quality in both countries. In 2021, a government scandal centred on the government child care benefit program caused the right-of-centre coalition government in the Netherlands to resign.

Comparative research

Research that "aims to make comparisons across different countries or cultures" has been used to examine child care auspice issues across countries, especially as many researchers have identified that privatization has been increasing even in non-market child care countries. Urban and Rubiano (2014) point out that there is an increasing trend towards privatization within the global trend of neoliberalism across countries, with negative effects on accessibility and quality. Many of the comparative analytical research studies compare and contrast various countries[16] experiences of child care policy. These studies have examined the impact of the market, the influence it has had on the development of for-profit child care and the effects on services and families.

Mahon et al. (2012) studied two Nordic countries (Finland and Sweden) and two liberal-democratic countries (Australia and Canada) to "find points of convergence around themes at the level of policy discourse and continued diversity in the way these ideas are translated into actual policies. In other words, convergence is mediated by institutions and political realignments" (2012: 1). Thus, although for-profit child care has made incursions in Finland and Sweden, and social investment strategies are part of the discourse in Canada and Australia, the comparative analysis "reveals fault lines that prevent and interrupt change, while at the same time recognizing political and economic processes that could produce seismic shifts" (Mahon et al., 2012: 7).

In a comparative mapping of European countries, Penn (2014) created four categories to describe European countries' approach to private provision. The first category includes "countries which actively promote private provision and have relatively lax or narrow regulations" (Penn, 2014: 151) such as the United Kingdom. The second category is made up of countries with near-universal state provision which discourage any private enterprise child care. The third is made up of countries that allow private providers but with strict regulatory conditions, such as Germany, Norway, and Austria. The final category are countries that have not taken an active role for or against the private sector, mainly accession countries[16] and Southern Europe. Penn notes how marketization and for-profit care are widespread globally, but that Europe, excluding the U.K., still had "negligible" for-profit child care in comparison to market child care countries (Penn, 2014).

In Brennan et al.'s (2012) study of Sweden, England and Australia, the authors found that all three countries to a greater or lesser extent, encouraged a narrative of "individual choice". The authors noted that Australia had moved in an extreme way towards this narrative compared with Sweden, with parents viewed and treated as consumers of for-profit services in Australia and England (Brennan et al., 2012). Some researchers have noted that treating parents as consumers, using "choice" rhetoric enables the creation of private systems that do not support equitable access to care services. In a comparative study of inequality of access to child care in Germany, Sweden and Canada by the Deutsches Jugendinstitut, Canada's market model, with its considerable for-profit provision in some regions, was detailed by Japel & Friendly (2018), in comparison with Germany (Scholz et al., 2018) and Sweden (Garvis & Lunneblad, 2018).

According to a comparative study by Yerkes & Javornik (2018) of three public and three market child care countries, provision of child care is primarily public in Iceland, Slovenia and Sweden.

16 Accession countries are those that are in the process of joining the European Union.

These three countries have supported the development of accessible, affordable, available, and high quality early childhood education and care (Yerkes & Javornik, 2018). By contrast, these authors note that countries such as Australia, the Netherlands and the United Kingdom with market child care provision create opportunities for for-profit child care to emerge and thrive. With a market system, these countries have child care systems deemed "problematic" by the authors, who outline their accessibility and availability problems, as well as higher costs and lesser quality.

In summary, research from Canada and many other countries shows many differences between public, non-profit child care services and those operating on a profit-making basis across regulatory and financial environments on important dimensions including quality, components of quality, the child care workforce, equity and parent fees.

5 Auspice and the care economy

This section examines relevant lessons for early learning and child care to be learned from auspice issues associated with Canadian long-term care. Concerns about the effects of for-profit ownership on the operation of long-term care facilities, especially by large corporations, is not new. But the weaknesses of Canada's market model long-term care, which were exposed in a new way during the COVID pandemic, provide valuable comparisons to, and lessons for child care. While issues of concern about the quality of care in for-profit long-term care facilities had long been documented, demands for change reached the public and political agenda as a result of the pandemic (Canadian Health Coalition, 2018).

Two care sectors: Similarities and differences

Long-term care shares many important characteristics with child care. Sociologists Susan Prentice and Pat Armstrong, experts on child care policy and long-term care policy respectively, have observed that:

> Child care and elder care have a great deal in common. They both are considered primarily family responsibilities, justifying low public investment in caring on such grounds. At an earlier historical moment, both child care and elder care were seen as needs to be solved by charitable and benevolent societies. Today, they both are increasingly a means for profit-making, with the involvement of the corporate sector justified on the

grounds that it will expand access while improving quality and saving money for the public sector (2021).

Long-term care homes are residential settings intended for individuals requiring 24-hour nursing and personal care, frequent assistance with activities of daily living, and on-site supervision or monitoring to ensure safety and well-being. Long-term care residents generally have more care needs than those in assisted or independent living settings, although sometimes all three living options are provided in one location. According to the 2016 census, there were almost 160,000 people living in long-term care facilities in Canada in 2015 (Library of Parliament, 2020).

Under the Canadian Constitution, health care is a shared responsibility of the federal and provincial governments. However, long-term care is considered an "extended health care service" and is not included under the *Canada Health Act*, which defines which services must be provided under the province's public health insurance program for the province to receive federal funding. Long-term care homes are governed by provincial/territorial legislation and funded through both provincial funding and user fees. Since the pandemic, there has been enhanced interest in an increased role by the federal government. This is similar to child care, which is governed by provincial/territorial governments, and not under any federal legislation.

Canadian child care and long term care both operate within market systems based on supply and demand, with funding that is partly public, partly user fees, and regulatory oversight by provinces/territories. Both sectors provide care for vulnerable populations, and the work of both kinds of care is done by low-paid predominantly female workforces. Characteristics of the workforce, such as staff ratios and education, play key roles in the quality and safety of the vulnerable people – whether they are elderly residents or children— in their care. Staffing costs are by far the largest part of long-term care facilities and child care centre budgets. Thus, in both long-term care and child care, for-profit companies are incentivized to keep wages and benefits low and staffing limited in order to generate a profit.

There are also some key differences between child care and long-term care. Although relatives or friends visit loved ones living in long-term care facilities, it is unlikely to be on a daily basis. However, parents make appearances twice daily at their child care centre in the morning and evening. That children are brought to and collected from child care every day provides a level of built-in risk mitigation, as health and safety cannot deteriorate over multiple days, as it can in a nursing home. As well, in the field of early learning and child care, there is an understanding of the inseparable nature of education and care for young children; education, in the broad sense, is seen as one of the objectives of child care. Although intellectually engaging activities may be integrated into a long-term resident's care, education is not accorded the same importance as it is in child care. Thus, the associated organizational structures and elements related to child care's pedagogical role, such as pedagogical documentation and curriculum frameworks, are not part of long-term care. Connected to this difference, child care quality can be assessed in terms of children's development, while health outcomes are generally the sole measure of quality in long-term care.

Although long-term care and child care both have mixed ownership provision in Canada, large corporations have made more headway in the elder care sector than they have in child care. For-profit long-term care in some provinces is dominated by corporate chains, while in the Canadian for-profit child care sector centres, smaller and medium-size chains are more common. As well, while child care spaces have steadily increased in Canada over the last twenty years, long-term care spaces have decreased. The Canadian Health Coalition describes that although long-term care spaces have decreased, the number of beds per facility and number of corporate chains have increased. Thus, they point out, "the long-term beds that are available are increasingly in larger corporate-style for-profit facilities” (2018: 9)

Provinces/territories pay for health care costs in long-term care but residents are responsible for rent, and associated living expenses, such as laundry and housekeeping (Library of Parliament, 2020). In 2018, $27 billion was spent on long-term care homes (or nursing homes), 74% of which was public funding and $7 billion from private funds, comprised of both out-of-pocket costs and co-payments from insurance plans (National Institute on Aging, 2019). Subsidies for low income individuals are also available by application to the province. As with child care, the equilibrium between supply and demand for long-term care has not been adequately solved in a market system; long waiting lists, high fees and inaccessibility are common as they are in child care (Noorsumar, 2021).

Like child care, long term care is provided by public, non-profit and for-profit operators, with the share of services delivered by each auspice varying significantly across provinces/territories. Long-term care, however, has a much larger share of public ownership than does child care: 46% of Canada’s 2,039 long-term care homes are publicly owned, 28% are private for-profit and 23% are private non-profit (Canada Institute for Health information, 2020). There is significant variation in this by province/territory, however, as there is in child care. For-profit ownership ranges from 57% of all provision in Ontario to 0% in Northwest Territories, Yukon and Nunavut, where all long-term care is publicly operated (Canada Institute for Health information, 2020).

TABLE 3 **Percent of long-term care facilities by auspice. Provinces/territories and Canada (2020).**

Provinces/territories	Public (%)	Non-profit (%)	For-profit (%)
Newfoundland and Labrador	97%	None	3%
Prince Edward Island	47%	47%	6%
Nova Scotia	14%	41%	45%
New Brunswick	None	88%	12%
Quebec	86%	14%[17]	
Ontario	16%	27%	57%
Manitoba	57%	30%	13%
Saskatchewan	75%	21%	4%
Alberta	47%	28%	25%
British Columbia	38%	28%	34%
Yukon	100%	None	None
Northwest Territories	100%	None	None
Nunavut	100%	None	None
Canada	46%	23%	28%

Source: Canada Institute for Health information, 2020.

Although long-term care's 28% for-profit share (of facilities) of the Canada-wide total is identical to that of licensed child care's (28% of spaces in 2019), a much larger share of for-profit long-term care facilities are owned by large, often international, corporations than are child care centres.

Canadian for-profit child care is less corporately owned than long-term care, although there are many medium sized child care chains. Among the biggest corporate child care firms is privately-held Kids & Company, which owns 90+ locations across Canada (predominantly in Alberta, Ontario and British Columbia but in three other provinces as well.) There are now no child care companies trading on Canadian stock exchanges. BrightPath, formerly Canada's sole publicly traded child care chain, was acquired

17 Breakdown between non-profit and for-profit auspice not available for Quebec.

by London-based Busy Bees in 2017. Busy Bees now operates 92 Canadian centres under the name BrightPath and several other names in Alberta, Ontario, and BC. The Ontario Teacher's Pension Fund is the majority owner of Busy Bees, which includes close to 1,000 centres in the UK, Australia, Canada and Asia.

In long-term care, Revera which operates more than 500 long-term care facilities across Canada, the United States and the United Kingdom is owned in part by Canada's Public Sector Pension Investment Board, the pension fund for the Public Service Alliance of Canada. In 2020, the public service union – in response to resident deaths from COVID-19 at Revera facilities – called for the federal government to shift Revera to public ownership and operation (Public Service Alliance of Canada, 2020). Several other publicly traded corporations each operate hundreds of homes in the long-term care sector in Canada, including Extendicare, Chartwell, and Sienna Senior Living. Chartwell, which claims to be the "largest operator in the Canadian seniors living sector" has more than 200 locations in Ontario, Quebec, Alberta, and British Columbia (Chartwell, 2021). In many instances, facilities and operations are owned by different long-term care companies.

The financialization of long-term care is not exclusive to Canada. An analysis of Canada, United States, United Kingdom, Norway, and Sweden demonstrates that the large for-profit nursing home chains in each country are increasingly owned by private equity investors, with shifting ownership over time, and complex and opaque organizational structures (Harrington et al., 2017), These are similar to those involved in the child care sector, as described by Simon, et al (2021, forthcoming) in the U.K., Gallagher (2020) in New Zealand and Brennan (2008b) in Australia.

The workforce in child care and long-term care

In Canada, more than 90% of the workforce in both the child care and long-term care sectors are women. The long-term care workforce is disproportionately racialized and migrant women; comparable workforce data are not available for child care. In Ontario, 58% of long-term care employees are personal support workers (PSWs), which generally requires a six-month course, and usually pays between minimum wage and $20/hr (Ontario Ministry of Long Term Care, 2020). The employment of PSWs suffers from the same recruitment and retention issues as those of early childhood educators, with low remuneration and high staff turnover. In Ontario, 50% of PSWs are retained in the health care sector for fewer than five years, and 43% are reported to have left the sector due to burnout resulting from inadequate staffing (Lakusta, 2018). Comparable data are not available in the child care field but a 2013 cross-Canada study found that 65.5% of the child care employers (usually centre directors) reported at least one permanent staff leaving the centre in the past year; for-profit centres reported somewhat higher mean numbers of qualified staff leaving the centre than non-profit centres (Flanagan et al., 2013).

Many long-term care employees are contracted through temporary staffing agencies or work part-time hours. Neither of these is common in child care, however, nor do child care staff ordinarily move between multiple centres as long-term care staff often do between multiple facilities. Staff often do not have paid sick leave, benefits or employment security in either long-term care or child care. An analysis of the long-term care workforce in British Columbia and Alberta (Duan et al., 2020) showed that 24% of care aides (PSWs) worked in multiple facilities, with more workers working in multiple locations in public and for-profit homes than non-profit homes. This survey of 3,765 care aides also reported that 15% work a second or third job outside the sector. When asked why they chose to have an additional job out of the sector, 73% attributed it to financial reasons, and 17% stated that they could not get full time hours (Duan et al., 2020). Comparable data on Canada's child care workforce are not available.

Differences in quality of care between for-profit, non-profit and public operators associated with workforce issues have been documented in the long-term care sector as they have been in child care. A study of 167 long-term care homes in British Columbia found that the mean number of hours per resident-day was higher in non-profit facilities than in for-profit facilities for both direct care and support staff and for all facility levels of care (McGregor et al., 2005). A 2016 Ontario study also showed for-profit long-term care facilities – especially those owned by a chain organization – provided significantly fewer hours of care, after adjusting for variation in residents' care needs (Hsu et al., 2016). An international meta-analysis of 82 studies on nursing home quality indicated higher quality care in non-profit facilities. Non-profits had higher quality staffing and lower risk of pressure ulcers compared to for-profit facilities. Results also favoured non-profit homes on the measures of lower rates of physical restraint use and fewer deficiencies in government regulatory assessments, although these results were not statistically significant (Comondore et al., 2009).

Long-term care and the effects of COVID-19

While poor quality in long-term care, the effects of auspice on resident health and safety, and anxiety about workforce and working conditions had been concerns for some time, it was the coming of the pandemic that raised an alarm about all these issues. During the pandemic, there were many deaths in Canada in long-term care and the issues with it were brought to new, high levels of public attention. By March 2021, 74% of COVID-19 deaths in Canada had been in long-term care (Canadian Institute for Health Information, 2021). In an analysis of 623 Ontario long-term care homes between

March and May 2020, Stall et al. (2020) found that for-profit status was associated with the extent of an outbreak of COVID-19 in long-term care homes and with the number of resident deaths, although not with the likelihood of outbreaks. Researchers attributed these differences to the high prevalence of chain ownership of for-profit LTC, and older, not upgraded physical design standards. Staff movement between their jobs at multiple long-term care homes was also identified as a source of COVID-19 transmission into long-term care homes (Stall et al. 2020). Staff movement between jobs has been linked to cost savings on staffing costs by offering less-than-fulltime hours. An American analysis (Chen et al., 2020) estimated that 49% of U.S. nursing home COVID-19 cases were attributable to cross-facility staff movement. In an analysis of Ontario long-term care homes using mobility data, Jones et al. (2021) found that 42.7% of nursing homes shared a connection with at least one other home prior to the provincial government enacting restrictions to reduce worker mobility between multiple homes. In both the non-restricted and restricted periods, inter-long term care movement was higher in homes in larger communities, those with higher bed counts, and those that were part of a large chain.

It is noteworthy that weaknesses in provision of Canada's long-term care provision in all sectors were exposed during the pandemic but that for-profit operations had worse outcomes when comparisons between ownership types are made. As the research and analysis shows, comparison between these two care sectors – child care and care of the elderly – show similar profit-driven factors, especially those associated with staffing, to be linked to the care provided to their respective vulnerable populations.

6 Discussion and conclusions

Almost 50 years ago, Elsie Stapleford, one of the architects of Ontario's war-time day nurseries, a contributor to Canada's first child care legislation and a long-time Ontario public servant responsible for the province's child care branch wrote, "A good nursery is expensive to operate. A poor one can be lucrative for the owner" (1976). This statement summed up much about the issue of auspice then and now. Today Canada's child care is on the verge of a transformation that has been 50 years in the making (Pasolli, 2021). With a multi-billion federal commitment to build a universal system of high quality child care, the nature of Canada's future early learning and child care is at the forefront of public debate and under intense scrutiny. With historic public spending, and committed government intentions to build a child care system on the table, Elsie Stapleford's 1976 observation remains pertinent today.

The crisis of the COVID-19 pandemic exposed two hard truths about child care. First, reliable, affordable and available child care is essential for a well-functioning economy, society and for parents' and children's well-being. Second, Canada's market-based child care arrangements are unable to support the reliable services needed as part of Canada's social infrastructure. As the federal government promises to work with provinces/territory/Indigenous communities to build a system of early learning and child care in Canada, longstanding questions about where for-profit child care services fit into the system have again emerged. What is best for children and families? How can public money be used best? What is the right thing to do? What will achieve the ambitious goals the Government of Canada has set out for the child care program?

What sort of system do we want to build going forward? And what is the evidence on the issues and concerns about relying on for-profit child care that have been raised in Canada and outside Canada for 50 years?

In child care, and across care sectors, the objective of profit-making collides with the objective of providing high quality and accessible care. Profits can, by definition, only be made when revenue exceeds expenses. Thus, reducing expenses or raising prices are the only ways to generate profit margins. In the business of care—notably care of children, or of the elderly— reducing expenses comes down to reducing their highest budget item, staffing, through paying low wages, hiring less qualified staff, and paying them less, or reducing ratios to provide fewer staff overall. As we describe in this paper, in Canada's long-term care sector, the consequences of limited oversight while exploiting precarious workers to deliver care to a vulnerable population were laid bare by the tragic deaths that took place in long term care facilities during the COVID-19 pandemic – 69% of Canada's deaths from COVID-19 (through February 2021) (Canadian Institute of Health Information, 2021). Although tragedies of this scope have not occurred in regulated child care, research substantiates again and again that the drive to maximize profits impacts staffing to erode quality in child care settings in a way similar to— though less extreme – long-term care. Given high labour requirements, profit-making by child care businesses necessarily comes at the expense of early childhood educators through low wages and poor working conditions, and at the expense of families through high fees.

Although some for-profit businesses may emphasize quality or choose to support their workers at the expense of higher profits, it is crucial to note that this is their individual choice, and not inherent or guaranteed anywhere in the design of for-profit care.

Three categories of concerns about for-profit child care

All these questions have formed the subject of this paper. As we have described, issues and concerns about for-profit child care fall into three main categories. The first category is concerned with whether the quality of early childhood programs is eroded by the necessity that child care owners and investors make profits, as they are established to do. As the paper has discussed, many studies in Canada and other countries illustrate how the drive for profit plays a role in why for-profit child care centres are, generally, of poorer quality than non-profits, particularly through staffing practices. The section of the paper comparing long-term care to child care across non-profit and for-profit sectors illustrates the similarities in how this plays out in labour intensive care sectors that care for vulnerable populations.

The second category of issues about for-profit child care challenges the efficiency of allowing public funds intended to support and expand affordable, equitable, high quality child care to be used instead for private profit. As the paper discusses, profits may take the form of payouts to shareholders or owners, or investments in real estate by large and small owners. These public child care funds diverted to profits are then not available to pay better wages for the child care workforce, make child care more affordable for parents or improve quality. The example of Australia's marketized child care illustrates how increase after increase in public funds failed to lower parent fees as they were intended to do. That for-profit child care gets "less bang for the buck" by failing to meet goals and objectives for quality, access and equity is yet another demonstration that publicly funding it is an inefficient use of public funds. Finally, the question of stewardship of public resources is a final element in the "inefficiency" category. That is, there is a loss of public resources when a for-profit child care operation ceases operation, as there are no rules about the disposition of assets bought with public dollars as there are for non-profit organizations.

The third issue of concern is one of ethics and values. Analysts argue that extracting profits from care services such as child care – regarded as a human right and a public good – is not ethical. Using the care of vulnerable populations, such as young children or the elderly, as a profit-generating opportunity is being publicly challenged, especially as attention has been drawn to the disproportionate share of deaths from COVID-19 that occurred in for-profit long-term care homes.

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A related concern is that for-profit firms have long lobbied governments to establish favourable conditions for child care businesses. In Canada, as far back as the 1970s, this took the form of professional lobbying to reduce staff: child care ratios (Mathien, 2021) and later, documented by Prentice (2000). In the United States, Nelson (1982) described professional lobbying for lower standards while in Australia, ABC Learning opposed paid maternity leave and well-connected politicians were sometimes indistinguishable from the child care entrepreneurs (Summers, 2002). Rush and Downie's research (2006) observed "One new concern brought to light by our research is that ABC Learning staff appear to be discouraged from raising any concerns about the operation of ABC Learning centres outside the company itself" (2006: ix).

Financialization

An emerging concern especially relevant to future developments in Canada as governments begin to build a quality early learning and child care system is the financialization and assetization of child care—a global ownership model that has the potential to become dominant in Canadian child care as it has elsewhere. Simon et al. described this development:

> The state has relied on private corporations to provide public services, and the private companies have in turn used global as well as national private investors to finance their expansion. The interests of global private investment companies have thereby come to shape public services. This process has also been tracked in detail for social care of the elderly (Simon et al., 2021, forthcoming: 5).

Child care in the U.K., the subject of the detailed Simon et al. study, has already become heavily dominated by financialization, whereas Canada has not. Nevertheless, the approach of corporations tied to private investment and equity interests seeking to operate child care as assets to be acquired, has already been modelled in Canada. While Canadian governments have not yet invested public dollars in child care on the same scale as has the U.K. or many other countries, the lure of substantial public dollars committed in the federal budget are drawing interest from new international and domestic investors (Friendly, Personal communication), similar to those Gallagher (2020), Penn & Mezzadri (2021) and Simon et al. (2021, forthcoming) have described in New Zealand and the U.K. Thus, lessons from these experiences are timely for Canada.

The frame of neoliberalism

The idea that early childhood education and care is merely another avenue for profits stems from a neoliberal conviction that everything is for sale in a market governing all human transactions and relations, and that markets are the best way to manage resources of all kinds. Peter Moss and Guy Roberts-Holmes (2021) thoroughly explore these concept and phenomena in a new book: *Neoliberalism and early childhood education*. They note that according to neoliberal conceptions, “everything has a price and is tradable in the market place, to be bought and sold for a profit” (Roberts-Holmes & Moss, 2021: 7). They describe how “importation of business management from profit-seeking businesses into education forces a wholesale change in the values, cultures and practices of schools away from notions of public service and towards a competitive market-based logic” (Roberts-Holmes & Moss, 2021: 55). And as Flemish ECEC scholar Michel Vandenbroeck notes in the book’s foreword,

> The neoliberal turn has a profound influence on the daily practices in early childhood education, on its funding mechanisms, on what data are produced, on inspection, performance and accountability, on the image of the child, the image of the parent and the image of the early childhood workforce (in Roberts-Holmes & Moss, 2021: xii).

In other words, the political ideology significantly affects how parents, children and the child care workforce experience child care on a daily basis.

The child care market model

There is no doubt at all that the current market system has failed to provide accessible and affordable child care for Canadians, and – as the pandemic crisis has made more salient – failed to sustain the child care needed to support the Canadian economy. Staff wages remain dismally low while parent fees rise in an ongoing tension. At the same time, many parents remain shut out of quality regulated child care entirely. Although issues with the market extend beyond for-profit services, for-profit services are intrinsically part of, enabled and encouraged by the market system, exemplifying how marketized child care inevitably fails to provide either quality or quantity of care (Friendly, 2019). Further, as public funds become more available and more substantial, the evidence shows that in the absence of robust rules and public accountability to protect affordable parent fees and decent wages, these funds are likely to become part of the profit margin.

What is usually termed a child care market model is a continuum that stretches from a completely unregulated "free market" with no funding, to highly regulated markets with high levels of directed funding to manage the market in a particular way. Canadian provinces and territories all provide regulatory oversight and varying levels and types of public funding. Thus, they are already engaged in varying components of public management. For example, some provinces, such as Quebec, Manitoba, Prince Edward Island, Newfoundland and Labrador, and most recently, the Yukon, manage their market systems (or parts of their market systems) by setting maximum daily fees that centres must adhere to in exchange for operational funding. Two provinces, Quebec and Prince Edward Island also require child care services to use provincially set staff wage scales. All provinces/territories regulate other elements of child care programs including staff: child ratios, staff training, physical environments, health, safety and food and pedagogy, or programming. All allow child care provision outside the licensing system but only up to a provincially regulated maximum number of children. Thus, Canada's child care market is already not wide open, and has become less so over time.

As the comparative studies and the provincial/territorial auspice profiles in this paper demonstrate, policy has very much influenced how public, non-profit and for-profit child care have grown, or not grown, across countries and Canada's provinces and territories. Thus, Canadian child care provision is not completely beholden to market forces but has been shaped through funding and program decisions made by politicians and policy makers. In Ontario, both Liberal governments and the NDP government have generally favoured non-profit services, as have some municipalities. The

City of Toronto and others, for example, have limited new service contracts for public funding to non-profits (Cleveland, 2018).
In Manitoba, for-profit services are allowed but only non-profit services have been eligible to receive operating grants and capital funding[19]. As a result, only 5% of centre spaces in Manitoba are provided by for-profit centres. Saskatchewan provides no public funding to for-profits, and there are almost none. Quebec has seen very rapid growth of a market sector of centres not required to use the set fees or wage scales of Quebec's centres de la petit enfance; these were incentivized by being indirectly funded through a parent tax credit. British Columbia has had a tremendous growth in recent years of for-profit centres in response to a substantial increase in capital grants and other public funds available to them.

Even in a market system, policies can be implemented that reward or discourage behaviors by changing the cost-benefit analysis for operators. Regulation of certain market aspects can also control the elements of child care that we know are crucial in providing high quality care, regardless of auspice. For example, we know that highly qualified and remunerated staff are central to quality, but also that depressing wages to increase profit margins is common practice in for-profit child care, hence the research findings that for-profit child care is likely to have lower paid and less qualified staff, so the quality of care is lower. Countries that have highly publicly managed, funded and delivered child care systems and a managed sector of for-profit operators (such as Norway) regulate wages through a standardized wage scale for all services. These countries also have publicly managed fees, and unionized child care workforces. Public funding to support these services is provided, and services remain affordable for families. However, as Vandenbroeck cautions:

> Early childhood services, once part of a successful public service are endangered. To give but one example of

19 In May 2021, Manitoba passed Bill 47, which will for the first time permit for-profit child care to receive these public funds.

> how fast the marketization and corporatisation of early childhood education has been spreading: In her well documented 2013 book on childcare markets, Eva Lloyd described France as a country with 60 years of state-funded and state-provided ECEC and therefore at the opposite end of commodification. However, between 2013 and 2017, [much of] the growth in child care places (25% in 2013, and half in 2017) was due to… private initiatives, and to a very large extent owned by a handful of corporate for-profit organizations (Vandenbroeck in Roberts-Holmes & Moss, 2021: xiii).

What to do

In 2021, Canada is at a child care crossroads, committing to invest historic sums of public money in building an accessible, affordable, quality, inclusive early learning and child care system for all. The federal budget states that

> The next five years of the plan will also focus on building the right foundations for a community-based and truly Canada-wide system of child care. This includes working with provinces and territories to support primarily not-for-profit sector child care providers to grow quality spaces across the country while ensuring that families in all licensed spaces benefit from more affordable child care (Department of Finance, 2021: 103).

This final section explores three elements related to this important statement about building the right foundations for a publicly funded universal child care system:

1. Maintaining the existing supply of licensed child care, public, non-profit and for-profit;

2. Regulating child care services more robustly so as to ensure public accountability for increased public funding;
3. Expanding the supply of quality early learning and child care to universal coverage only through non-profit and public services.

1. Maintaining the existing supply of licensed child care, non-profit and for-profit

Currently 28% of full and part day child care centre spaces in Canada are in centres operated for profit. In some provinces/territories, for-profit services provide the lion's share of child care, and in others, they provide none, or very little. Thus, many families rely on for-profit centres for care. Further, included in Canada's for-profit child care sector are many owners who developed child care services in an era when governments lacked interest in funding or building a child care system. Thus, in the interest of ensuring that families are not severely disadvantaged by losing their existing child care, a balanced policy solution would be to operationally fund existing for-profit services, together with public and non-profit services.

2. Regulating child care services more robustly to ensure public accountability for increased public funding

Evidence emerging from the Canadian and international research suggests that providing funding to owners of child care businesses without clear rules or accountability about how it must be spent is a poor use of public funds. For example, the auspice data in the Canadian Centre for Policy Alternatives' annual fee survey found that all but one of the relevant cities in which child care fees were surveyed showed higher median fees in for-profit centres—in some instances substantially higher—despite equivalent public (provincial/territorial) funding to both sectors (Macdonald & Friendly, 2021). A number of other Canadian studies have shown that wages are lower in for-profit centres even when public funding is equivalent (for example, Cleveland & Hyatt, 2000; Matthew, 2013; Forer, 2018; Varmuza, 2020). Comparative research points out that robust regulation and public accountability make it more possible for countries to be able to manage a for-profit sector (White & Friendly, 2014). Beach has described how this has functioned in Norway, where about 25% of child care provision is for-profit, although, as she notes "In spite of all the checks and balances in place, there is concern about public funds ending up as private profit" (see the Norway chapter in Friendly, Beach et al., 2020: 37). Thus, in an environment in which much more public funding will be provided in Canada, all provinces/territories need to regulate all licensed child care more stringently, setting affordable parent fees, establishing decent wages for staff using provincial/territorial wage scales, and requiring enhanced public accountability to ensure that all funds are directed to services.

3. Expanding the supply of quality early learning and child care to universal coverage through non-profit and public services

The research and analysis presented in this paper suggest that if the aim is to build a publicly funded and managed, accessible, affordable, high quality and equitable early learning and child care system, expanding for-profit services will be a detriment to meeting the stated goals. Thus, an evidence-based approach would be that any further development of early learning and child care services be only public and non-profit.

To achieve a sufficient supply of quality services needed for the desired universal, not-for-profit child care system, Canada will need a two-part strategy: first, curtailing the growth of additional for-profit child care and, second, creating an adequate supply of new public and non-profit child care. As Friendly, Beach et al. (2020) have outlined, moving to a more publicly managed, planned, intentional model of child care development is an important piece of building an effective child care system. They observed that without moving responsibility for developing child care services from the current private responsibility to a public responsibility, the insufficient, uneven supply of early learning and child care services will remain a barrier to meeting families' need for child care equitably, fairly and effectively. They itemize several "public management tools" used in Canada and elsewhere to increase the supply of child care services, such as: including child care in land use planning and other public planning processes; local demand forecasting; increasing the supply of publicly delivered child care by municipalities and schools; providing substantial support to non-profit providers to develop services; using public buildings and public space for child care; and increasing the role of local municipal governments and school boards in child care development (Friendly, Beach et al, 2020).

To achieve sufficient quality services to build a universal, quality child care system, Canada will need a two-part strategy: curtailing the growth of for-profit child care and creating a supply of new public and non-profit child care.

The main high level change needed, however, is a shift in mindset– from the idea that creating child care services is a private responsibility, to treating expansion of child care services as a publicly managed function. This would encompass multi-year expansion strategies including provincial/territorial and local plans and targets, capital funding, public planning and public responsibility. The recommendation would be that undertaking developing and executing such an explicit expansion strategy become a part of each provincial/territorial action plan going forward as Canada builds a universal child care system.

Taking the two actions together – curtailing further development of for-profit child care while ensuring creation of non-profit and public child care through public processes – will be the most effective, reasonable, and evidence-based way to achieve Canada's desired child care goals. This embraces the OECD's idea of "a protective mechanism" regarding auspice identified in its 2004 review of Canadian early learning and child care, as well as the OECD's recommendation to develop a more public approach to expanding services:

> A protective mechanism used in other countries is to provide public money only to public and non-profit services, and then to ensure financial transparency in these services through forming strong parent management boards. At the same time, the provision of services across a city or territory – not least in terms of mapping where services should be placed – should be overseen by a public agency. Valuable initiatives, both at provincial and community board levels, already exist in Canada in this matter, but in many instances, public responsibility for planning and supporting ECEC services needs to be developed (OECD, 2004: 173).

Whether child care is for-profit or non-profit is a main issue that determines whether children and families benefit from responsive, high quality early learning and child care services in an accessible, equitable manner. Auspice is a fundamental element of policy, and a choice that will influence how well other key structural policy elements can function to create accessible, quality early learning and child care — public financing; a planned, not market, approach; well paid, early childhood-educated staff recognized and treated as professionals; a sound pedagogical approach; and ongoing quality assurance. Ultimately, the issue of auspice will play a key part in determining whether Canada "gets the architecture right" to build the universal, quality child care system that families and children deserve to have, which will serve Canadian society into the future.

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Appendix 1 Provincial/territorial profiles

This section provides a profile of the issue of auspice in each Canadian province and territory.

As we noted earlier, there are substantial differences among the jurisdictions on this issue. Each profile provides an overview, a description of policy and funding, and a brief history of key benchmarks and policy initiatives with respect to auspice. The source of most of the information in this section is *Early childhood education and care in Canada 1992 -2019*.

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Licensed child care in Newfoundland and Labrador includes full and part day child care centres, school-age centres and a small regulated family child care sector. Licensed child care centres are primarily for-profit, with a smaller number of non-profit programs.

Kindergarten is a non-compulsory, full day program for all five year olds as part of the public school system. In 2019, a consultation to implement junior (four year old) kindergarten began; a goal of full implementation by 2021 was set.

First Nations and Inuit licensed child care centres receive the same provincial funding as other centres, and parents are eligible to receive fee subsidies.

Who provides child care?

Licensed child care centres are primarily for-profit, with a smaller number of non-profit programs. The for-profit sector has long dominated child care in Newfoundland and Labrador, accounting for 70% of total centre spaces in 2019. As Figure 2 shows, a majority of full day centre spaces are for-profit, while most part day and school-age programs are non-profit. The for-profit sector in Newfoundland and Labrador is made up of individual centres and small to medium local chains. Local chains often have three to seven or as many as nine centres, which are not necessarily in the same location. There are no corporate child care chains in the province and there are no publicly operated programs. The for-profit operators are represented by the Provincial Association of Childcare Administrators Licentiate.

TABLE 1 **Number of centre spaces for 0-12 year olds by auspice and percent of centre spaces that were for-profit. Newfoundland and Labrador (1998-2019).**

Year	Non-profit centre spaces	For-profit centre spaces	Total centre spaces	% of centre spaces that were for-profit
1998	1,665	2,610	4,275	61
2001	1,523	2,703	4,226	64
2004	1,242	3,439	4,681	73
2006	1,676	3,718	5,394	69
2008	1,683	3,892	5,575	70
2010	1,615	4,181	5,796	72
2012	2,332	4,263	6,595	65
2014	2,332	4,263	6,595	65
2016	2,078	5,219	7,297	72
2019	2,179	5,157	7,336	70

TABLE 2 **Number of full day and part day centre spaces by auspice. Newfoundland and Labrador (2019).**

	Non-profit centre spaces	For-profit centre spaces	Total centre spaces	% of centre spaces that were for-profit
Full day	1,346	4,662	6,008	78
Part day preschool-age and school-age	833	495	1,328	37
Total	2,179	5,157	7,336	70

FIGURE 1 Number of centre spaces for 0-12 year olds by auspice. Newfoundland and Labrador (1998-2019).

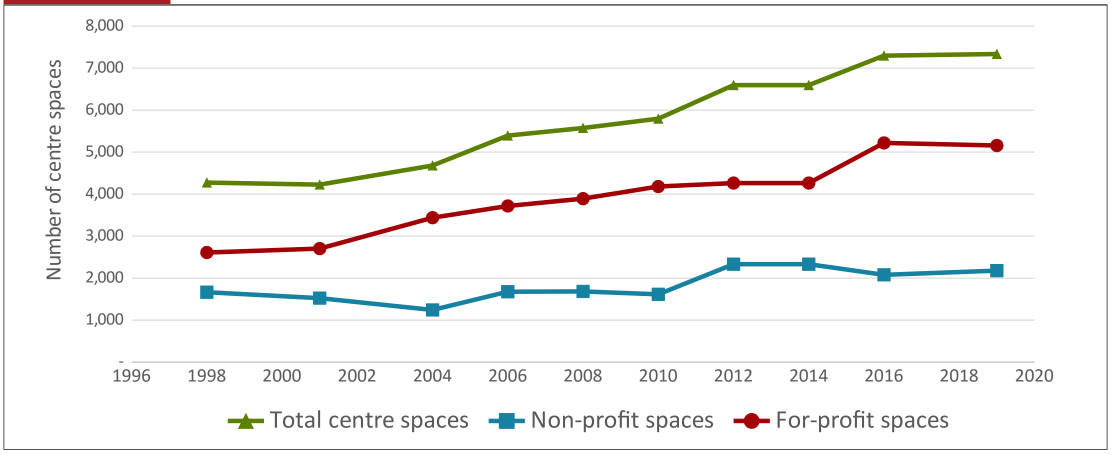
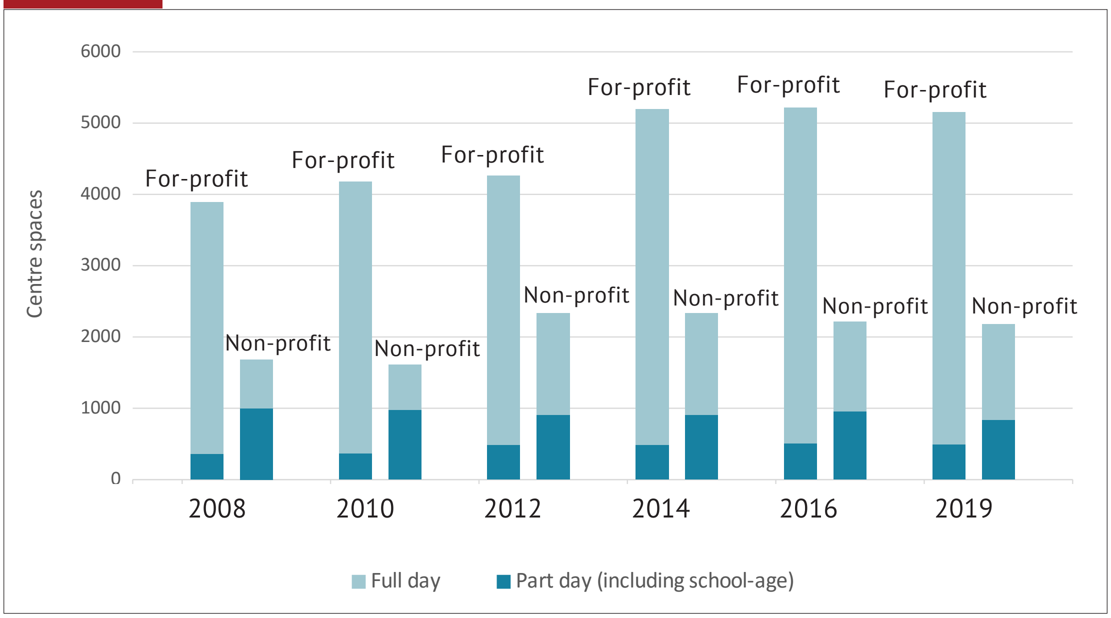


FIGURE 2 Number of full day and part day centre spaces by auspice. Newfoundland and Labrador (2008-2019).



Provincial policy and funding

All licensed non-profit and for-profit programs are eligible for fee subsidies, capital funding and operational funding. These include one-time equipment grants, recurring grants to facilitate inclusion, substantial wage supplements and other funding, as well as the Operating Grant. The ELCC Capacity Initiative is available to the non-profit sector for start-up and developmental costs to establish programs in rural, remote, and underserved communities.

Introduced in 2014, the Operating Grant offers both non-profit and for-profit programs the option to set their fees in exchange for provincial funding to cover the operating costs. In January, 2021, a new $25/day maximum fee was introduced. The province provides additional funds through the Operating Grant Program to offset the reduced set fee. Many for-profit centres participate in the Operating Grant Program, thereby agreeing to charge set fees.

Provincial benchmarks or policy changes relevant to auspice

1975	*The Day Care and Homemaker Services Act* was enacted, allowing public funds to be used for fee subsidies.
1999	*The Child Care Services Act and Regulation* was proclaimed. This new legislation allowed for regulated family child care and infant care, and introduced training and certification requirements for staff.
June, 2006	An Early Learning and Child Care plan was announced, with funding allocated to many initiatives.
2007	The Child Care Capacity Initiative (now the ELCC Capacity Initiative) was launched.
2014	The Operating Grant Program, requiring parent fees to be set at the current fee subsidy rate, was introduced, with non-profit and for-profit programs eligible.
2016	Public schools begin to offer non-compulsory full day kindergarten to five year olds across the province.
2021	A $25/day child care fee program including for-profits and non-profits was initiated.

Prince Edward Island

Licensed child care includes early childhood centres and a very small individually licensed family child care sector. Early childhood centres may be full day programs, some of which the provincial government designates as Early Years Centres (EYCs), part-time preschools and school-age centres. EYCs include both non-profit and for-profit organizations. A majority of full day centres in PEI are now Early Years Centres. There were 49 EYCs in 2019, up from 34 in 2010.

PEI has provided kindergarten for five year olds as part of the school system only since 2010. Prior to 2010, part day kindergarten had been provided by regulated child care centres and was publicly funded since 2000. In 2010, it was moved into the school system and became a full day public school program.

Who provides child care?

The majority of early childhood centres are small for-profit operations. In 2019, the for-profit sector comprised almost two out of three (65%) of total licensed child care centre spaces.

PEI is predominantly rural and rural child care centres (outside Charlottetown, Stratford, Cornwall and Summerside) are mostly (79%) designated EYCs. In 2019, 52% of rural centres were operated as for-profit programs consisting of sole proprietors or incorporated businesses.

There are no child care chains on PEI and no publicly delivered child care centres.

TABLE 3 **Number of full day, part day, and school-age centre spaces. Prince Edward Island (2012-2019).**

	2012	2014	2016	2019
Full day spaces	2,864	2,698	3,074	3,476
Part day spaces (preschools)	207	286	239	169
School-age spaces	952	1,264	1,322	2,029

TABLE 4 **Percent of part day and full day centre spaces that were for-profit. Prince Edward Island (1992-2019).**

Year	% of regulated part and full day centre spaces that were for-profit
1992	35
1995	32
1998	42
2001	46
2004	70
2006	56
2008	58
2010	58
2012	80
2014	64
2016	59
2019	65

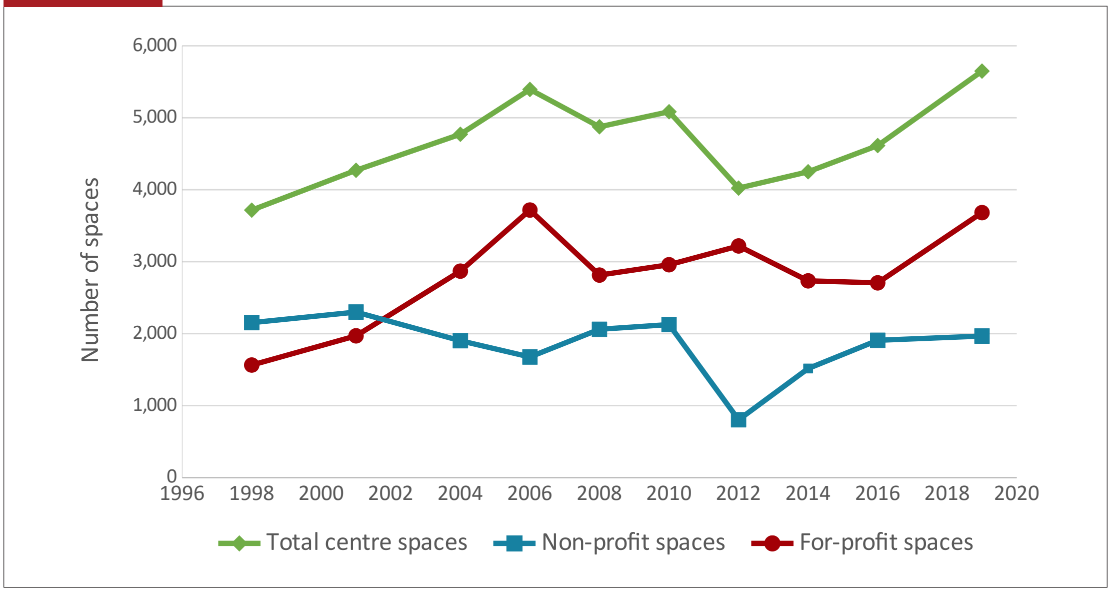
Note: For the purpose of comparison with other jurisdictions where kindergarten is in the public education system, these figures did not include part day kindergarten. As of September 2010, kindergarten moved to the public education system.

Provincial policy and funding

Non-profit and for-profit early childhood centres are eligible for all provincial funding programs including Quality Enhancement Grants, fee subsidies, and special needs funding. However, only designated non-profit and for-profit Early Years Centres are eligible to be operationally funded. The operational funding payment takes into account staff wages and base operating costs. Early Years

Centres must use provincially set parent fees and a province-wide salary grid. Early childhood centres that are not EYCs are not required to use the provincially set fee or the wage grid.

FIGURE 3 **Number of centre spaces for 0-12 year olds by auspice. Prince Edward Island (1998-2019)**



Provincial benchmarks or policy changes relevant to auspice

1977	The operating cost system was changed to a per child subsidy program for non-profit and for-profit programs.
1987	The province implemented operating grants to all licensed child care programs.
2000	For the first time, the province began to fund part day kindergarten programs delivered by non-profit and for-profit child care centres to all five year olds at no cost to families.

2010	The government said it would "move to a more publicly-managed system of ECEC" for 0-4 year olds recommended in *The Early Years Report – Early Learning in PEI: An Investment in the Island's Future*. A government report, *Securing the Future for our Children: Preschool Excellence Initiative* outlined plans for implementing changes. The plan included assisting the transition to the Early Years Centre model, including providing funding for for-profit operators who wished to retire their licenses. PEI introduced Early Years Centres (EYCs) as a specific designation of licensed full day centres with enhanced public management and operational funding. Licensed non-profit and for-profit centres were given three options: a) to apply for designation as an Early Years Centre (to be determined by the province); b) remain a regulated non-EYC; or, c) retire the license. Kindergarten for five year olds became a full day public school program.
2020	A plan for universal pre-kindergarten for four year olds was postponed to Fall 2021 due to the COVID-19 pandemic. The plan is that the three hour a day program will be delivered by regulated non-profit and for-profit child care centres with no parent fee.
2021	The provincial government announced that provincially set parent fees in Early Years Centres would move from fees set by the child's age to $25/day for all ages.

Nova Scotia

Licensed child care in Nova Scotia includes full and part day child care centres and a small family child care sector administered by licensed agencies.

Publicly delivered kindergarten (Grade Primary) has been available to all five year olds for a full school day (full school day is a minimum of four hours a day in kindergarten and early elementary) since the 1990s. Attendance is compulsory. In 2017, Nova Scotia began offering a free full school day pre-primary program for all four year olds; attendance is not compulsory.

Child care programs in First Nations' on-reserve communities are not under the Department of Education and Early Childhood Development mandate.

Who provides child care?

In 2019, 56% of Nova Scotia's total child care centre spaces were for-profit. Since 2006, most new growth has been in the for-profit sector, with for-profit spaces surpassing the number of non-profit spaces beginning in 2011. The proportion of child care that is for-profit has been growing steadily since 1998. The for-profit child care sector in Nova Scotia is made up of individual owner-operated centres, small chains and seven Nova Scotia locations of corporate-type chain Kids & Company, which first opened in Halifax in 2009. Nova Scotia has no publicly delivered child care. The for-profit sector is represented by the Private Licensed Administrators Association of Nova Scotia.

TABLE 5 **Number of centre spaces for 0-12 year olds by auspice and percent of spaces that were for-profit. Nova Scotia (1998-2019).**

Year	Non-profit centre spaces	For-profit centre spaces	Total centre spaces	% of centre spaces that were for-profit
1998	6,259	4,735	10,994	43
2001	6,501	4,963	11,464	43
2004	6,987	5,613	12,600	45
2006	6,924	5,899	12,823	46
2008	6,868	6,733	13,601	50
2010	7,194	7,674	14,868	52
2012	7,595	8,742	16,337	54
2014	7,439	9,116	16,555	55
2016	7,816	9,684	17,500	55
2019	7,457	9,592	17,049	56

TABLE 6 **Number of full day and part day centre spaces by auspice. Nova Scotia (2019).**

	Non-profit	For-profit	Total spaces	% of centre spaces that were for-profit
Full day	4,967	6,632	11,599	57
Part day				
Preschool	744	520	1,264	41
School-age	1,746	2,440	4,186	58
All part day	2,490	2,920	5,450	54
Total	7,457	9,592	17,049	56

FIGURE 4 **Number of centre spaces for 0-12 year olds by auspice. Nova Scotia (1998-2019).**

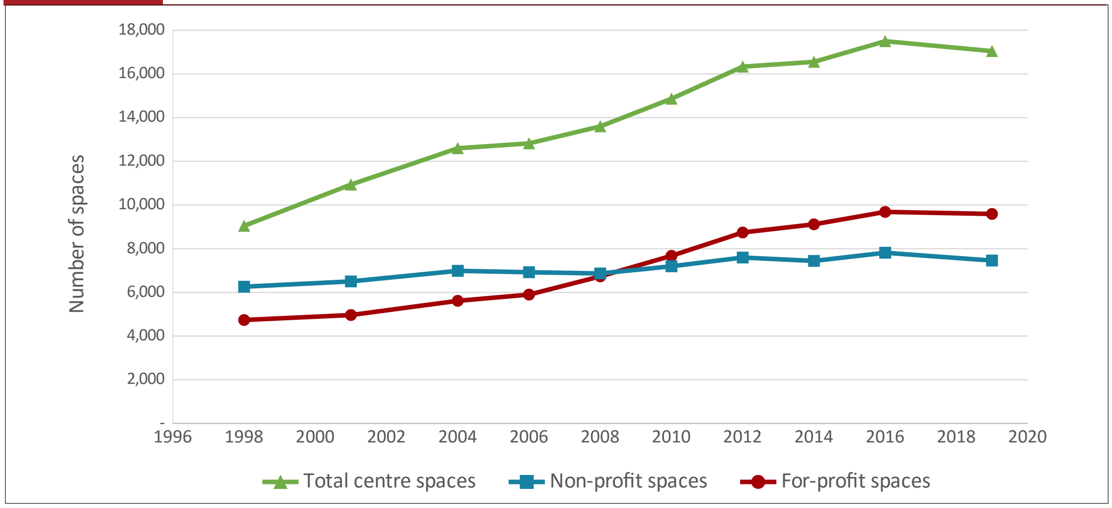
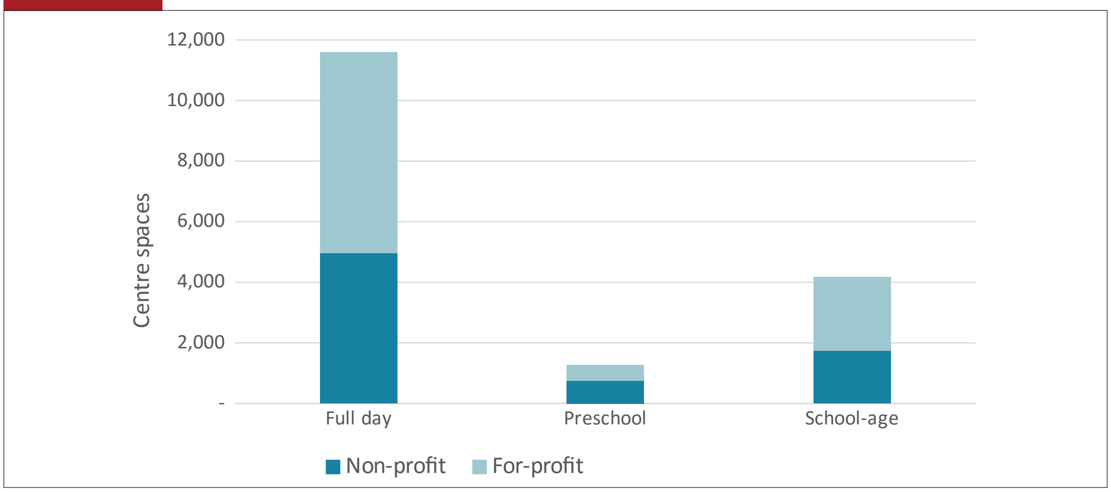


FIGURE 5 **Number of full day, part day (preschool), and school-age centre spaces by auspice. Nova Scotia (2019).**



Provincial policy and funding

Non-profit and for-profit services are eligible to access all funding including subsidies, operating grants, Early Childhood Education Grant (intended to improve wages), Supported Child Care Grant and capital funding as available.

Nova Scotia's Strategic Growth Initiative (SGI) was launched in 2019, providing start-up funds to create new child care spaces. All centres are eligible to receive grants, however, for-profit providers receive smaller SGI grants than non-profit providers.

Provincial benchmarks or policy changes relevant to auspice

1967	Enactment of *The Day Nurseries Act*.
Before 2000	Only non-profit centres operated by community-based organizations and family child care agencies could enrol children receiving subsidies and receive operating grants.
2000	Fee subsidies became portable, assigned to the child, not the centre, and could be used in any non-profit or for-profit full day child care centre.
2003	For-profit centres became eligible for operating grants.
2008	Capital funding was made available to for-profit services.
2013	Early Years Centres for four year olds were introduced. Early Years Centres (EYCs) operated near or in schools and were non-profit community partners. EYCs transitioned into the universal pre-primary program in 2017.
2017	Full school day, publicly funded, free pre-primary program for four year olds was introduced to fully roll out in four years.
2019	The one-time Program Enhancement Grant (formerly the Expansion and Replacement Loan, and Repair and Renovation Loan) became available only to non-profit services. The Strategic Growth Initiative began providing start-up funding to non-profits at a higher rate than for-profits.
2020	The pre-primary program phase-in was completed.

New Brunswick

Licensed child care in New Brunswick includes full and part day centres and a small individually licensed family child care sector. Licensed child care centres include both non-profit and for-profit organizations. Beginning in 2018, licensed non-profit and for-profit centres could apply for New Brunswick Early Learning Centre (NBELC) designation and become eligible for increased operational funding.

On reserve centres are not eligible for provincial funding. First Nations families living on reserve and accessing off reserve child care are eligible for provincial fee subsidy.

Kindergarten is delivered in public schools as a compulsory full school day program for all five year olds; full school-day to Grade 3 is 4 to 4.5 hours/day.

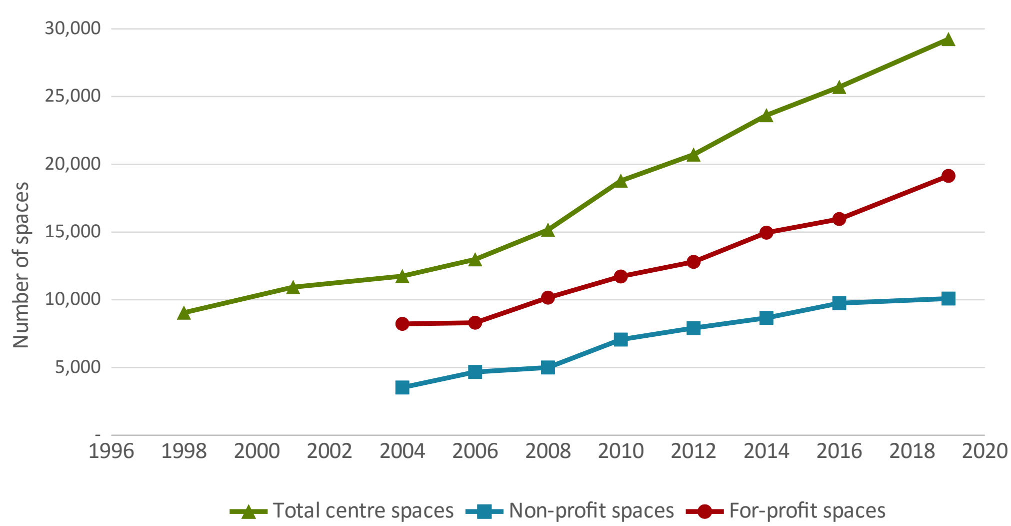
Who provides child care?

The majority of child care in New Brunswick is operated on a for-profit basis. In 2019, the for-profit sector comprised almost two-thirds (65%) of total centre spaces, with the remaining 35% non-profit. There has been a small decline of the proportion of for-profit child care spaces, from 70% in 2014 to 65% in 2019. For-profit child care centres in New Brunswick are individually owned centres and small chains. There is no corporate child care and no publicly delivered child care programs in New Brunswick. Early Childhood Care and Education New Brunswick/*Soins et éducation à la petite enfance Nouveau-Brunswick* is the bilingual association that represents the child care sector, both for-profit and non-profit operators, across the province.

TABLE 7 **Number of centre spaces for 0-12 year olds by auspice and per-cent of spaces that were for-profit. New Brunswick (1998-2019).**

Year	Non-profit centre spaces	For-profit centre spaces	Total centre spaces	% for centre spaces that were for-profit
1998	NA	NA	9,048	NA
2001	NA	NA	10,936	NA
2004	3,524[2]	8,223[1]	11,747	70[2]
2006	4,674[1]	8,309[1]	12,983	64[2]
2008	5,003[1]	10,158[1]	15,161	67[2]
2010	7,065[1]	11,720[1]	18,785	62
2012	7,916[2]	12,799[2]	20,715	62
2014	8,666[2]	14,955[2]	23,621	63
2016	9,746[2]	15,962[2]	25,708	62
2019	10,091[1]	19,145	29,236	65

FIGURE 6 **Number of centre spaces for 0-12 year olds by auspice. New Brunswick (1998-2019).**[3]



1 Estimate provided by provincial officials.
2 Estimated number of spaces by auspice were calculated using percentage estimates for non-profit and for-profit centres provided by provincial officials.
3 Proportion of non-profit and for-profit spaces were estimated by provincial officials 2004 – 2016.

Provincial policy and funding

With the exception of funds only available to New Brunswick Early Learning Centres and Homes, non-profit and for-profit programs are eligible for all provincial funding including fee subsidies, Quality Improvement Funding (QIF), and capital funding. Both non-profit and for-profit programs are eligible for designation as New Brunswick Early Learning Centres and Homes. The Operational Grant and Parent Subsidy Program are only available to New Brunswick Early Learning Centres and New Brunswick Early Learning Homes with designation status; the designated programs have expanded subsidy arrangements and agree not to exceed provincially set fees in exchange for increased, ongoing operational funding.

Provincial benchmarks or policy changes relevant to auspice

1974	Child care licensing and fee subsidies for all regulated child care were initiated.
1991	The first public kindergarten programs were introduced as part of the school system.
2001	Quality Improvement Funding Support began to provide operational funds to all centres.
2005	The owner-operator position in for-profit centres became ineligible for wage support from Quality Improvement Funding Support (QIFS) funding, affecting funding for this position for 260 licenses. Some of these permanently closed, while some owner-operators took various actions to retain QIFS support.

2009	The provincial government initiated a three year pilot program with four sites to provide integrated early childhood education and care, school-based pilot sites delivered by non-profit operators.
2016	A Child Care Review Task Force commissioned by the provincial government recommended moving toward a publicly funded and managed non-profit child care system by issuing new licenses only for non-profit services.
2018	The province released *Everyone at their best… from the start: Early Learning and Child Care Action Plan*. The plan established the designation of New Brunswick Early Learning Centres (NBELCs).

Quebec

Licensed child care in Quebec includes full day child care centres for 0 - 5 year olds (centres de la petite enfance and garderies) and family child care (service de garde en milieu familial), which includes some family child care homes with two providers overseen by Child Care Coordinating Offices. These programs are under the Ministère de la Famille. School-age child care (service de garde en milieu scolaire) provides child care outside regular school hours for 4 - 12 year olds under the Ministère de l'Éducation. At one time, Quebec did not regulate part day child care programs (nursery schools, or jardins d'enfants) but jardins d'enfants opened after October 25th, 2005 must now have a license (permis).

Kindergarten (maternelle) for five year olds in Quebec has been full school-day since 1997 and there has been some kindergarten for four year olds in targeted lower income neighbourhoods for a number of years. In November 2019, the Quebec government passed legislation to develop and implement a universal four year old kindergarten (maternelle quatre ans) program. The program began in fall 2020. The goal is to make full day kindergarten available to all four year olds within five years. Private school legislation was amended to enable private schools, which receive some public funding, to provide four year old kindergarten in 2020-2021.

Who provides child care?

Centre-based child care is provided by centres de la petite enfance (CPEs) and garderies. CPEs are incorporated non-profit organizations that are operationally funded by the province. They are required to charge provincially set parent fees and pay staff according to a provincial salary scale. Almost all garderies are for-profit operations except for a small number without a parent majority board (e.g., church-run centres). There are two types of garderies:

- Reduced contribution/subsidized garderies receive funding similar to CPEs and are required to charge the same set fees and pay staff based on the same provincial salary scale as CPEs;
- Non-reduced contribution garderies receive no provincial operational funding and are permitted to charge full market fees. A tax credit reimbursing families using non-reduced contribution garderies for a portion of their fees based on income was introduced in 2009.

In 2019, spaces in garderies accounted for 55% of all centre spaces for 0 - 5 year olds. Over the last decade, the number of centre spaces for 0 - 5 year olds in non-reduced contribution garderies rose to 69,814 in 2019 from 11,173 in 2009.

The Quebec for-profit child care sector is made up of individual owner-operated centres and small or medium, mostly Quebec-based, chains. There is no publicly delivered child care for 0 - 5 year olds.

Child care outside school hours for 4 - 12 year olds is publicly delivered by local school authorities, who are required to offer it if there is demand. School-age child care accounted for more than 60% of all Quebec regulated centre spaces in 2019.

Quebec's for-profit sector is represented by the Association des garderies privées du Québec (AGPQ), established in 1973. According to its website, AGPQ is the "national body authorized to represent and defend the interests of all private daycares in Quebec to all government, decision-making and advisory bodies in the child care sector." The non-profit sector is represented by the Association québécoise des centres de la petite enfance (AQCPE).

TABLE 8 **Number of centre spaces for 0-12 year olds by auspice and per-cent of centre spaces that were for-profit. Quebec (1998-2019).**

Year	CPE spaces (non-profit)	Garderie spaces (for-profit)		Total centre spaces (0-5)	% of centre spaces that were for-profit (0-5)
		Non-funded (non-reduced contribution)	Funded (reduced contribution)		
1998	58,376	-	23,935	82,211	29
2001	51,570	-	25,701	77,271	33
2004	68,274	-	29,437	97,711	30
2006	74,573	-	36,521	111,094	33
2008	77,165	4,751	35,230	117,146	34
2010	79,547	11,173	38,865	129,585	39
2012	84,672	27,773	41,036	153,481	45
2016	92,398	55,256	46,057	193,711	52
2019	96,084	69,814	47,221	213,119	55

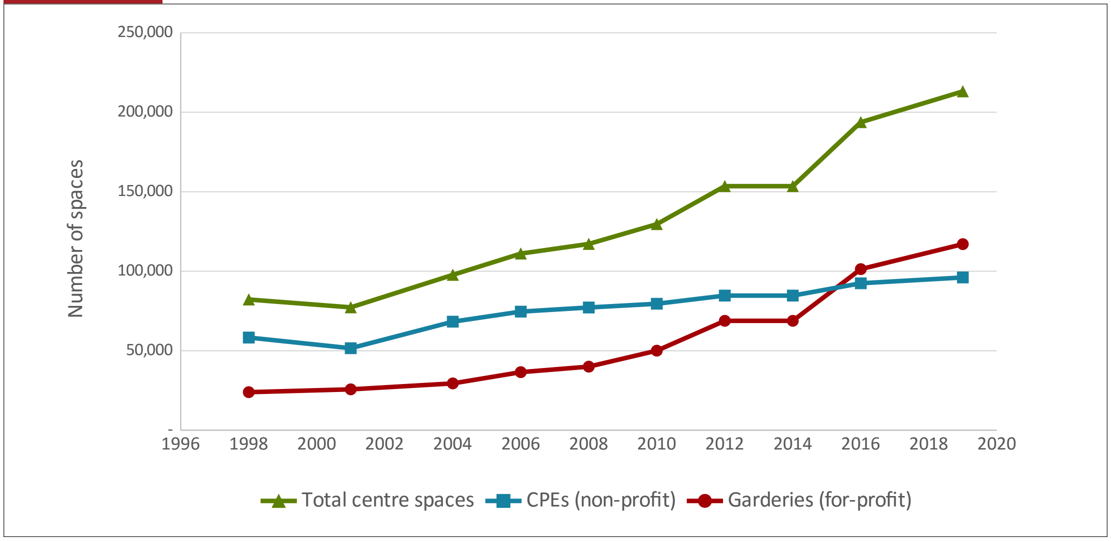
Note: Non-reduced contribution spaces were not available before 2008.
Data was not available for 2014.

TABLE 9 **Number and percent of publicly operated school-age centre spaces for 4-12 year olds. Quebec (1998 – 2019).**

Year	School-age spaces (operated by school authorities)	Total regulated centre spaces	% of total regulated centre spaces represented by school-age centre spaces (operated by school authorities)
1998	92,700	153,241	60
2001	101,655	178,926	57
2004	141,977	239,688	59
2006	161,428	272,522	59
2008	162,992	280,138	58
2014	305,743	462,110	66
2016	330,002	523,713	63
2019	363,049	579,168	63

Note: The number of school-age spaces was not available in 2010 and 2012.

FIGURE 7 **Number of centre spaces for 0-5 year olds by auspice. Quebec (1998-2019).**



Provincial policy and funding

In 1997, Quebec began providing operational funding to CPEs (non-profits) and a small number of reduced contribution/subsidized garderies. The operational funding model and a set parent fee of $5/day replaced both the limited operational funding already available to programs and fee subsidies to individual families. Provincially set flat fees were increased a number of times, and a sliding fee scale at higher income levels was used for several years; the flat fee was reinstated in 2019.

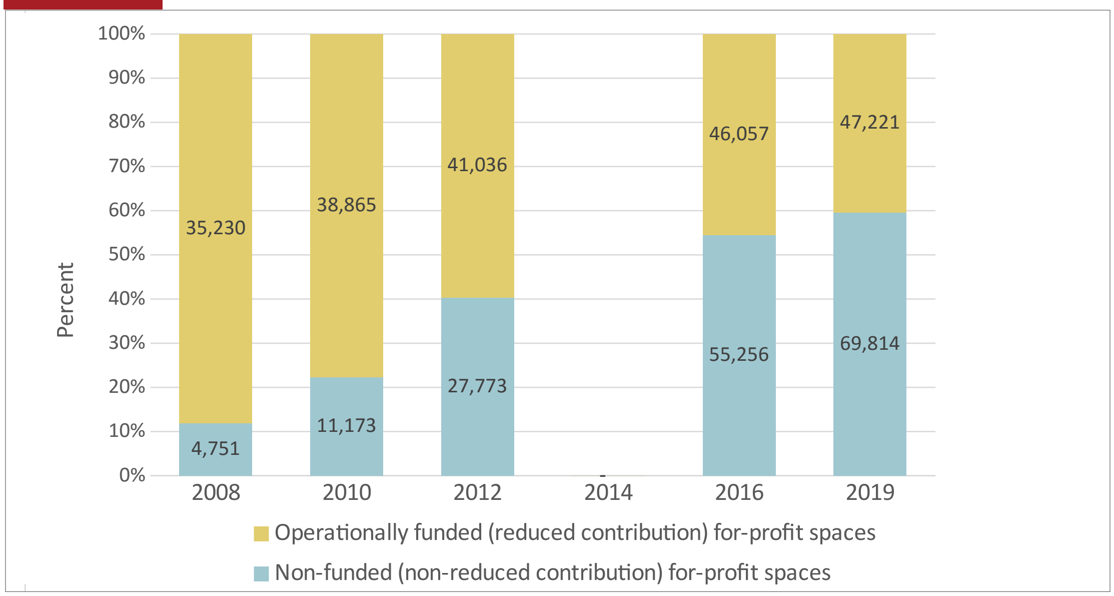
Beginning in 2009, the provincial government introduced a tax credit system to support a new category of non-reduced contribution garderies (for-profit). Parents using the non-reduced contribution for-profit centres are the sole recipients of this tax credit. It allows a rebate of between 26% and 75% of the cost of market fees based on income.

TABLE 10 **Number of for-profit centre spaces for 0-5 year olds by type. Quebec (2008-2019).**

Year	Number of non-reduced (unsubsidized) contribution for-profit spaces	Number of reduced contribution (subsidized) for-profit spaces	Total for-profit spaces
2008	4,751	35,230	39,981
2010	11,173	38,865	50,038
2012	27,773	41,036	68,809
2016	55,256	46,057	101,313
2019	69,814	47,221	117,035

Note: Data was not available for 2014.

FIGURE 8 **Percent of for-profit centre spaces for 0-5 year olds by type. Quebec (2008-2019).**



Note: Data were not available for 2014.

Provincial benchmarks for policy changes relevant to auspice

1979	Introduction of the *Respecting Child Day Care Act* which provided operating and construction grants to non-profit organizations.

1979	L'Office des services de garde à l'enfance was established to coordinate and promote development of child care services.
1988	A policy statement announced a five year expansion plan to double the number of licensed child care spaces by 1994 and extended some grants to for-profit centres.
1995	The Parti Quebecois government placed a moratorium on new licenses for for-profit centres, followed by an announcement that for-profit centres would no longer receive any funding. This was modified somewhat when the new family policy was introduced in 1997.
1996	The government announced a new family policy. It would implement a comprehensive early childhood policy for children from 0 - 12 years old with three main components: • enhanced maternity and parental leave provisions through a new parental insurance plan; • kindergarten for all five year olds extended to the full school day; • early childhood education and child care services to provide universal, affordable educational programs with provincially set fees of $5/day.
1997	The Ministère de la Famille et de I'Enfance (MFE) was established and became responsible for child care. The Ministry set out to build its network of centres de la petite enfance from non-profit centres and regulated family child care and to phase in provincially set low fees ($5/day) over four years.

1997	Existing for-profit centres were allowed to sign agreements with the government to offer reduced-contribution child care spaces on a “rented” basis. Staff training requirements were lower in for-profit centres than in non-profit centres.
2000	Spaces for all age groups in centres, family child care and school-age child care, having been phased in, were available at a flat fee of $5/day for all families regardless of labour force participation.
2000	The provincial government allocated funds to raise wages in CPEs, garderies and family child care.
2003	The moratorium on for-profit expansion was removed. A Liberal government[5] announced its intent to slow expansion of the $5/day child care program, to increase parent fees and to open development of new spaces to the for-profit sector.
2006	Additional funding was allocated to increase pay equity for staff in CPEs and garderies. To access this funding, garderies were now required to meet the same minimum staff training requirements as CPEs. A new regulation came into effect limiting the use of surcharges above Quebec’s province-wide set fee ($7/day), prompting the Association of Private Daycares to take the Quebec government to court.
2009	Under a Liberal government, a new tax credit covering up to 90% of child care costs became available to reimburse parents using the new category of non-reduced contribution garderies.
2013	A Parti Québécois government announced that about 85% of new spaces would be non-profit CPEs.

5 Note that there were multiple changes in government in Quebec during this period.

2019	The government began developing a kindergarten program for all four year olds. Private schools, which may receive some public funding, would be eligible to provide kindergarten for four year olds.
2020	Government committed to converting 3,500 unsubsidized garderie spaces to fully subsidized ones in areas where subsidized spaces were lacking.
2021	Gradual phase in of four year old kindergarten program across the province. The Coalition Avenir Québec (CAQ) government announced a public consultation and study intended "to make the educational childcare network more effective and more accessible, in order to ensure equal opportunities by facilitating access to quality services that guarantee the health and safety of children and promote the development of their full potential".

Ontario

Licensed child care in Ontario includes full day child care centres, part day nursery schools, and home child care (family child care) agencies responsible for individual family child care homes.

The Ministry of Education is responsible for child care, kindergarten, and other child and family programs in Ontario.

Ontario has offered full school day kindergarten for all four and five year olds since 2010. School boards are obliged to ensure provision of child care outside regular school hours where sufficient need is expressed. School boards can choose to deliver before and after school programs directly or enter into an agreement with a non-profit or for-profit licensed child care provider or an authorized (not licensed) recreational and skill building program provider.

Ontario is the only province in which local government entities, 47 Consolidated Municipal Service Managers (CMSMs) and District Social Service Administration Boards (DSSABs) are mandated to act as local service system managers. Among their discretionary roles, they may operate child care centres and family child care. Publicly operated programs may be delivered by municipal/regional entities, First Nations, and publicly funded school boards.

Ontario regulates and funds child care in First Nations communities on reserve. In 2019, there were 75 such centres.

Who provides child care?

The majority of child care spaces in Ontario is operated on a non-profit basis. In 2019, the for-profit sector accounted for 21% of total regulated centre spaces. There are, however, differences by auspice by part and full day delivery. In 2019, 34% of full day centres[6] were for-profit, while only 10% of part day centres (including school-age) were for-profit.

Public child care delivered by municipal or regional authorities in Ontario was at one time a substantial sector. It represented 18,143 spaces in 1998 but this number had dropped to 5,508 municipally operated centre spaces in 2019 as many CMSMs and DDSABs relinquished their role in delivering public child care.

Family child care agencies may be publicly operated, non-profit, or for-profit. There were 124 family child care agencies in 2019. Twelve were municipally/regionally operated, 92 were non-profit, and 20 were for-profit. For-profit centres in Ontario include individual owner-operated centres, small chains, Ontario-only chains, corporate and corporate-type chains operating in multiple provinces and countries. BrightPath, based in Calgary, acquired by U.K.-based Busy Bees, operated more than 90 centres in Ontario, Alberta, and British Columbia under various names, including 49 centres across 17 municipalities in Ontario in 2021. Privately held Kids & Company operated 120+ locations across Canada and the U.S., of which 42 centres were located in 19 different Ontario communities in 2021.

The for-profit child care sector is represented by the Association of Day Care Operators of Ontario (ADCO), founded in 1977. The Ontario Coalition for Better Child Care has been the primary advocacy group since 1980, supporting public and non-profit child care.

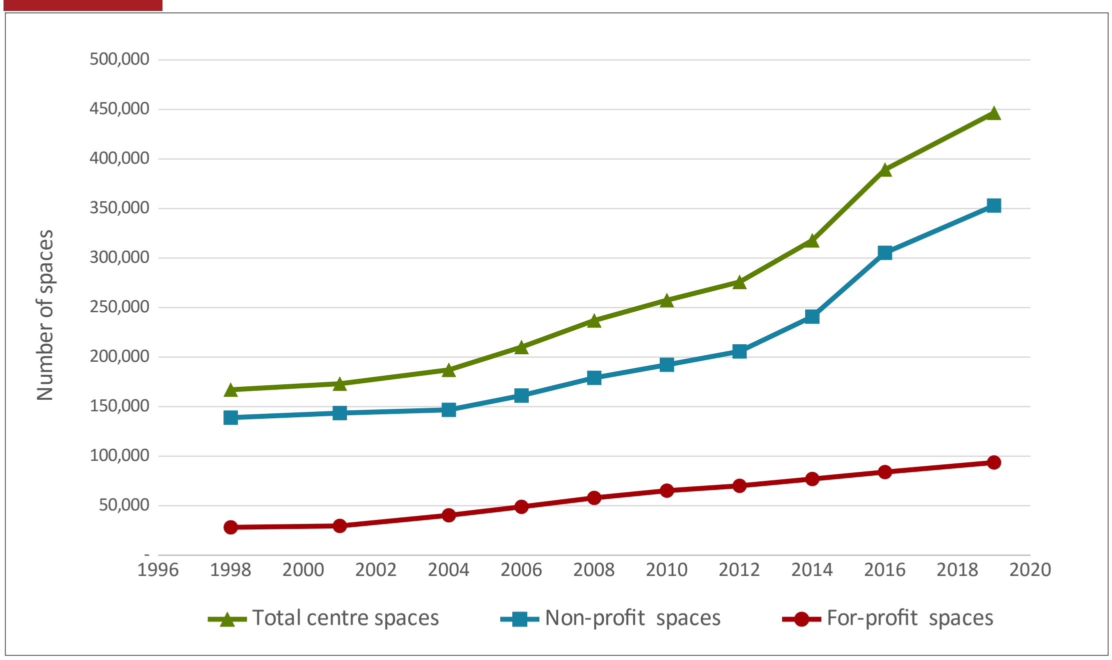
6 Note that the data to provide this breakdown by auspice is unavailable for spaces, so the number of centres is used instead.

TABLE 11 **Number of centre spaces for 0-12 year olds by auspice and per-cent of centre spaces that were for-profit. Ontario (1998-2019).**

Year	Non-profit centre spaces	For-profit centre spaces	Total centre spaces	% of centre spaces that were for-profit
1998	138,899	28,191	167,090	17
2001	143,522	29,613	173,135	17
2004	146,789	40,345	187,134	22
2006	161,233	48,894	210,127	23
2008	179,071	57,917	236,988	24
2010	192,256	65,201	257,457	25
2012	205,791	70,109	275,900	25
2014	240,881	76,981	317,862	24
2016	305,317	83,969	389,286	22
2019	352,949	93,647	446,596	21

Note: Non-profit figures include publicly operated centre spaces in this table.

FIGURE 9 **Number of centre spaces for 0-12 year olds by auspice. Ontario (1998-2019).**



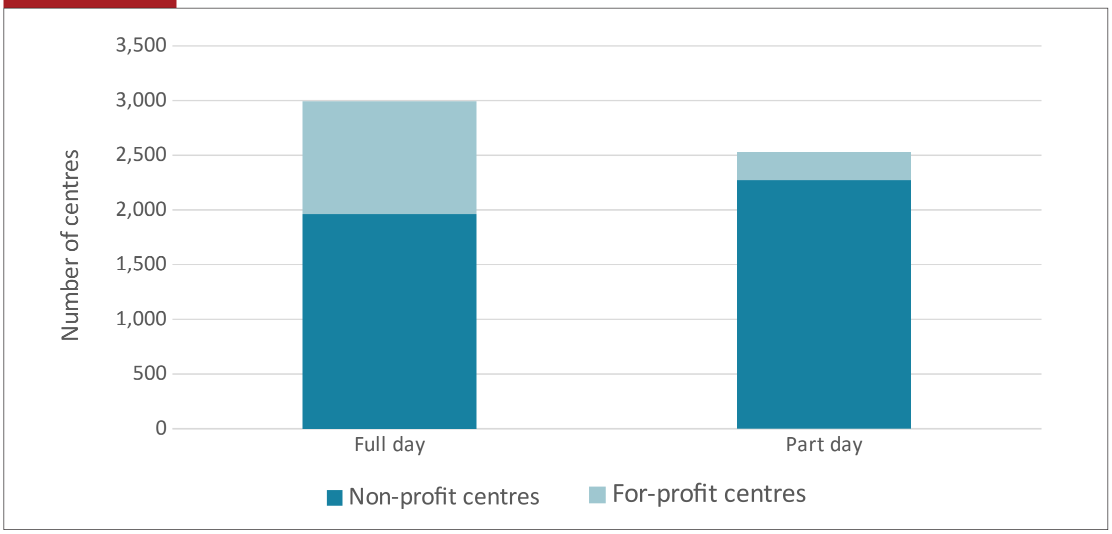
Note: Non-profit centre spaces include public child care space in this figure.

TABLE 12 **Number and percent of full day and part day child care centres[7] by auspice. Ontario (2019).**

	Non-profit centres	For-profit centres	Total centres	% of centres identified as for-profit	% of centres identified as non-profit
Full day	1,964	1,029	2,993	34	66
Part day	2,273	258	2,531	10	90

Note: Part day centres include school-age as well as a small number of centres offering evening or overnight care. Non-profit includes publicly operated centres in this table.

FIGURE 10 **Number and percent of full day and part day child care centres[7] by auspice. Ontario (2019).**



Note: Part day centres include before and after school programs and a small number of centres offering evening or overnight care.

Provincial policy and funding

All funding is now available to public, non-profit, and for-profit child care services. This includes capital funding, which became available to for-profit services in 2019 for the first time. However, some municipalities have set their own criteria restricting for-profit operators' eligibility for some public funds including fee subsidies. According to an Ontario study on affordability published in 2018, 16 CMSMs and DDSABs restricted public funds in this way.

7 Centres rather than spaces are used in Ontario for this comparison, as the number of part day spaces is not available.

Provincial benchmarks or policy changes relevant to auspice

1943	Ontario was one of the two provinces in which war-time day nurseries operated with federal funding. These formed the basis for Ontario' s municipal child care sector, many of which continued to operate with provincial-municipal funding at the end of World War II.
1950s	Kindergarten for four year olds was initiated in Toronto for children of the many European immigrants arriving post-World War II.
Post 1960s-1980s	Municipally operated child care centres were opened in many locations across Ontario.
1980s	The Toronto Board of Education led in opening public schools to use by non-profit child care centres.
1983	Unionization of the Ontario Mini-Skool centres owned by Alabama-based Kindercare led to a five month strike.
1987	As part of a political Accord that formed a minority Liberal government with NDP support, policy recognizing child care as a "basic public service, not a welfare service" was announced. Under New Directions for Child Care, there was new capital funding for development of non-profit child care. This, and other policy supporting non-profit child care led to its considerable expansion – especially in schools – between 1987 and 1995. The first Direct Operating Grant (DOG) (operational funding), targeted primarily to raising wages, was introduced.

	Existing for-profit programs received 50% of the DOG, while new for-profits were not eligible.
1990	An NDP government promised to bring in a publicly funded, non-profit child care system.
1991	A "conversion program" to change for-profit centres to non-profit status was introduced. A substantial wage enhancement grant (WEG) for staff in non-profit child care was initiated as a "down payment on pay equity". The WEG was followed by provision of pay equity wage adjustments by the provincial government for staff in non-profit child care services. School boards were granted eligibility to hold licenses to operate child care programs.
1995	A Conservative government cancelled the conversion (to non-profit) program, as well as reversing a policy limiting new subsidies to non-profits. The Early Years Program, intended to pilot a "seamless day" in kindergarten for four and five year olds was cancelled before it began. Wage Enhancement for staff in non-profit centres was reduced and minor capital funds included for-profit child care for the first time. The provincial child care budget dropped from $541,800 million in 1995 to $451,500 million in 2001. The Conservative government challenged pay equity funding to non-profits in court, eventually losing the challenge.
2004	Following a change to a Liberal government in 2002, which did not make changes to child care, a number of municipalities/regions began to restrict public funds to public, non-profit and already-existing for-profit child care (originally, Toronto, Ottawa, Sudbury, Peel, and Waterloo). The Liberal government ceased paying pay equity adjustments to non-profit programs.

2010	The Ministry of Education assumed responsibility for child care. Ontario began a four year phase in of full day kindergarten (FDK) for four and five year olds.
	The City of Windsor closed all its municipally operated centres, to be followed by municipal divestment of public child care in a number of other municipalities in subsequent years. This came to include Peel, Windsor, Kenora, Chatham, Lambton, Sudbury, Kingston, and Sioux Lookout.
2014	*The Child Care and Early Years Act 2014* replaced the *Day Nurseries Act*. The Ministry of Education introduced a "For Profit Maximum Percentage Threshold" policy to prioritize funding to the non-profit and public sectors. This policy capped the total percent of public funding accessed by for-profit child care providers.
2015	Ontario introduced a $1/hour wage enhancement grant administered by municipalities. It was available for staff in all for-profit and non-profit centres, increasing to $2/hour in 2017.
2017	A five year 100,000 child care space creation plan gave priority to the non-profit sector. By 2017, only 15 CMSMs/DSSABs operated public child care services. Municipally operated child care centre spaces had fallen to 1.4 % of total child care spaces in 2016.
2018	The Ontario government committed to introduction of free child care for preschool-aged children (aged 2.5 – 4 years), as well as other substantial changes. Following a change in government to a Progressive Conservative government in 2018, introduction of free preschool-age child care was abandoned. As well, the maximum for-profit threshold was removed, although municipalities/regions that restricted public funds to

	public, non-profit and already-existing for-profit child care were able to continue this practice.
2019	The provincial budget highlighted that non-profit programs would no longer be prioritized for expansion or public funding. For-profit programs would be able to operate child care programs in schools and would become eligible to receive public capital funding. The budget also announced a new child care tax credit (Childcare Access and Relief from Expenses), described as covering up to 75% of the cost of all forms of child care.

Manitoba

Licensed child care centres, nursery schools, and school-age programs for 0-12 year olds in Manitoba are almost entirely non-profit with a small number of for-profit centres. Regulated family child care, including group family child care homes, uses an individually licensed model. There is no publicly delivered child care.

Part day kindergarten for five year olds is offered in all public schools with a limited number of full day kindergartens. Some school divisions offer part day “nursery” or junior kindergarten for four year olds, but these are not funded by the provincial government.

Manitoba does not have a role in licensing, funding or regulation of early learning and child care in First Nations communities.

Who provides child care?

Manitoba has had very little for-profit child care since the 1980s. In 2001, the for-profit sector accounted for 8% of all centre spaces, and its share has declined to 5% in 2019. Over the past decade, there has been a small numerical expansion in for-profit spaces—an increase from a low of 1,068 for-profit spaces in 2008 to 1,716 for-profit spaces in 2019. In contrast, in the same time period, non-profit spaces grew from 17,001 spaces in 1998 to 32,457 in 2019. For-profit operators are primarily small individual centres, although there is one centre that is part of one of Canada’s largest chains, Kids & Company, in Winnipeg.

TABLE 13 **Number of centre spaces for 0-12 years olds by auspice and percent of centre spaces that were for-profit. Manitoba (1998-2019).**

Year	Total non-profit spaces	Total for-profit spaces	Total regulated centre spaces	% of centre spaces that were for-profit
1998	15,834	1,167	17,001	7
2001	17,540	1,561	19,101	8
2004	19,678	1,747	21,425	8
2006	20,559	1,308	21,867	6
2008	22,476	1,068	23,544	5
2010	24,871	1,174	26,045	5
2012	26,300	1,268	27,568	5
2014	27,898	1,604	29,502	5
2016	29,714	1,514	31,228	5
2019	32,457	1,716	34,173	5

TABLE 14 **Number of full day and part day centre spaces by auspice. Manitoba (2019).**

	For-profit	Non-profit
Full day	1,151	17,935
Part day		
School-age	397	12,176
Nursery school	168	2,346
All part day	565	14,522
Total spaces	1,716	32,457

Note: Part day spaces include nursery school and school-age spaces in this table.

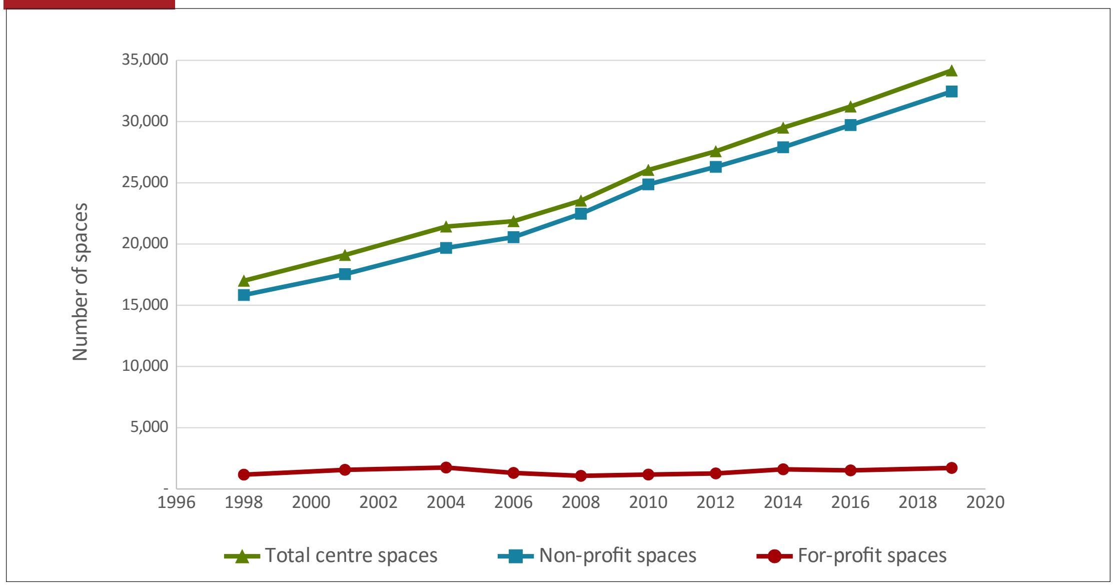
Provincial policy and funding

Manitoba provides operational "unit" funding to programs, supplemented by fee subsidies to cover most or part of the set fees for eligible parents. Operational unit funding is only available to non-profit child care programs.

Non-profit and for-profit child care programs are both eligible to serve families using fee subsidies; non-profit centres are required to enroll subsidized children, while for-profit services who choose to enroll subsidized children must use the province's set fees. All parents including those who are fully subsidized must pay a $2/day fee.

Capital funding to contribute to building a new non-profit child care centre or renovate an existing centre is not available to for-profit services.

FIGURE 11 **Number of centre spaces for 0-12 year olds by auspice. Manitoba (1998-2019).**



Provincial benchmarks or policy changes relevant to auspice

1974	Manitoba set up the Provincial Child Day Care Program to provide start-up and operating grants to non-profit centres and family day care homes and fee subsidies for eligible low income families.

1986	Having introduced *The Community Child Day Care Standards Act* in 1983, the Manitoba government introduced salary enhancement grants to non-profit centres.
1991	The provincial government restructured funding into one operating grant. The overall effect of this was reducing salary enhancement, redistributing nursery school grants, increasing eligibility level for partial fee subsidy and providing a small daily payment to existing for-profit centres caring for subsidized children.
1999	"Unit funding", which takes into account staff wages and child age, was introduced. It provides increased operating funds to non-profit programs and is accompanied by the requirement to use provincially set fees, which varied by age. Non-profit child care supply showed a substantial increase.
2005	Manitoba was the first province to sign a bilateral agreement as part of the Liberal federal government's national child care program. Manitoba's bilateral agreement committed to spending funds only on non-profit child care for 0-12 year olds. *Moving Forward on Early Learning and Child Care – Manitoba's Action Plan and Next Steps and Key Objectives* outlined Manitoba's priority areas for investment.
2006	When the bilateral agreements were cancelled by the Harper government, Manitoba announced it would continue with the Action Plan developed as part of the federal/provincial agreement.

2015	The Manitoba government established the Manitoba Early Learning and Child Care Commission to provide recommendations on implementing a universally accessible child care system. The Commission report recommending moving to a sliding parent fee scale was published in 2016.
2016	Following a change from an NDP government to a Progressive Conservative government, the Child Care Centre Development Tax Credit was introduced to encourage non-profit or for-profit workplace child care. Eligibility for this tax credit was expanded in 2020 to include private corporations not primarily engaged in child care services. These child care centres may – like other for-profit child care programs – establish their own fees.
2018	Federal funding under the bilateral Canada–Manitoba Early Learning and Child Care Agreement was allocated to expanding non-profit early learning and child care spaces.
2021	In March 2021, the government introduced Bill 47, *The Early Learning & Child Care Act*. Bill 47 will expand licensing and funding to "grant eligibility to additional programs" including for-profits. In addition, Bill 47 will freeze parent fees for three years without providing additional funding to centres.

Saskatchewan

Licensed child care in Saskatchewan includes full day child care centres, school-age centres not in schools, and individually licensed family child care (including group family child care). Licensed child care centres include non-profit services governed by a parent board of directors, public child care operated by a municipality and for-profit services with parent advisory committees. Part day pre-schools (less than three hours per day) are not licensed or regulated in Saskatchewan. School-age centres located in schools are not required to be licensed. Saskatchewan's coverage, or availability of regulated child care per capita, is low compared to other provinces, in part, because part day centres are not regulated, so are not part of the supply of regulated child care as in other jurisdictions.

Saskatchewan does not regulate or fund on-reserve Indigenous child care programs.

Part day kindergarten is provided for all five year olds through school divisions. Saskatchewan also offers part day pre-kindergarten for vulnerable three and four year olds who meet the eligibility criteria.

Who provides child care?

Child care is almost entirely non-profit in Saskatchewan; in 2019, non-profit centres accounted for 98% of centre spaces. Several small rural municipalities operate child care centres, holding the license.

While there is very little for-profit child care in Saskatchewan, the number of spaces, which was zero in some years in the last two decades, grew to 273 spaces in six for-profit centres in 2019. For-profit centres have typically been owned by individual single operators, not large corporate chains. In 2018, Building Brains, operating 150 spaces in two centres identified as federally incorporated non-profits, opened in Saskatoon, funded through the Canada-Saskatchewan bilateral ELCC agreement. According to their website, Building Brains is part of Kids U, a growing Calgary-based for-profit chain offering seven centres, summer camps, virtual preschool and "brain builders" courses for children aged 19 months to six years.

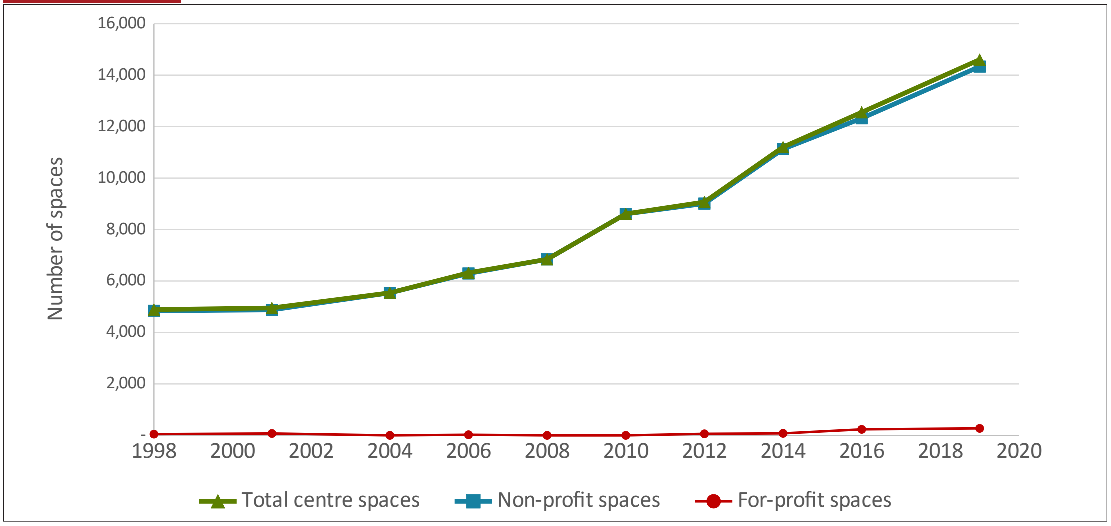
In 2019, there were 316 provincially funded pre-kindergarten programs with space for 5,056 children across the province.

TABLE 15 **Number of centre spaces for 0-12 year olds by auspice and percent of centre spaces that were for-profit. Saskatchewan (1998- 2019).**

Year	Non-profit centre spaces	For-profit centre spaces	Total regulated centre spaces	% of centre spaces that were for-profit
1998	4,841	48	4,889	1
2001	4,878	73	4,951	1.5
2004	5,540	0	5,540	0
2006	6,292	25	6,317	0.4
2008	6,843	0	6,843	0
2010	8,609	0	8,609	0
2012	9,008	61	9,069	0.7
2014	11,126	78	11,204	0.7
2016	12,325	233	12,558	2
2019*	14,334	271	14,605	2

Note: In 2019, non-profit includes 116 municipally delivered spaces in this table.

FIGURE 12 **Number of centre spaces for 0-12 year olds by auspice. Saskatchewan (1998-2019).**



Provincial policy and funding

Saskatchewan is the sole province in which public funding is only available to non-profit centres and family child care homes. All non-profit centres are eligible to receive subsidies for children enrolled in their programs; for-profit centres are not eligible for subsidies.

Saskatchewan's one-time funding and operational funding is only available to non-profit services in centres and regulated family child care homes.

Provincial benchmarks or policy changes relevant to auspice

1969	The first Saskatchewan child care policy in the *Child Welfare Act* outlined minimum regulations, licensing and monitoring of non-profit and for-profit child care centres.

1975	New child care policy was included in the *Family Services Act*. Child care centres that were non-profit and parent-controlled could be licensed and were eligible for funding; for-profit centres were neither licensed nor funded. As there was no limit set on the number of children in unlicensed child care, it was legally possible to operate an unlicensed centre. Regulations for family day care were established.
1990	*The Child Care Act and Regulations* were enacted requiring all full day centres non-profit and for-profit to be licensed.
1996	The province introduced pre-kindergarten. For-profit centres continued to be ineligible for public funding.
2000	The wage enhancement grant was merged with the centre operating grant to become the Early Childhood Services (ECS) Grant; only non-profit programs were eligible for ECS grants.
2006	Early learning and child care was moved from the Ministry of Social Services to the Ministry of Education.
2016	*The Early Years Plan 2016-2020* provincial plan was released; there was no change with regard to for-profit child care.

Alberta

Regulated child care in Alberta includes full day centres, part day preschools, out-of-school programs, Innovative centres and regulated family child care. Alberta offers two kinds of family child care: day homes under an agency model, and group family child care. Group family child care is licensed but neither day homes nor day home agencies were licensed until 2021 when the regulations were changed to license day home agencies.

Kindergarten for children in the year before Grade 1 is part of Early Childhood Services (ECS). Kindergarten and other ECS programs are provided by school divisions, accredited private schools, and private non-profit and for-profit ECS operators.

Alberta child care programs in Indigenous communities on reserve are not typically licensed by the province of Alberta. In 2017, the First Nation Child Care Society received the first license for on reserve child care in Alberta.

Who provides child care?

In Alberta, 59% of full and part day centre spaces for 0-12 year olds were for-profit in 2019. Although both the non-profit and for-profit sectors have grown in recent years, rates of for-profit expansion surpass those of non-profits. A robust municipally operated child care sector in Alberta that provided services before the 1990s has almost entirely disappeared. In 2021, there are municipally operated child care centres in three municipalities.

For-profit child care in Alberta makes up 65% of total full day centre spaces. In contrast, the non-profit sector delivers about half the school-age spaces and a majority of spaces in part day preschools.

The for-profit child care sector in Alberta is made up of individually owned and operated centres, small local chains, family child care (day home) agencies, and large corporate chains.

Alberta is one of the main provinces in which corporate child care plays a role. In 2021, Calgary-based BrightPath operated under various names in Alberta, Ontario, and British Columbia. With more than 90 centres across Canada, BrightPath operates 60 centres in Alberta, mostly full day but including out-of-school programs. BrightPath is now owned by U.K.-based Busy Bees. Kids & Company, Canada's largest for-profit chain, is an Ontario-based privately held company. In 2021, it runs 120+ centres across Canada and the US, including 40 centres in ten towns and cities across Alberta; these are mostly full day but include school-age programs. Kids U, a growing Calgary-based for-profit chain, is a privately held company based in Alberta. In 2021, it operates 15 full and part day programs in Calgary and in 2018 opened two non-profit centres in Saskatoon.

Regulated family child care agencies in Alberta may be non-profit or for-profit. In 2019, 61% of family child care spaces were part of for-profit agencies or group family child care.

TABLE 16 **Number of centre spaces for 0-12 year olds by auspice and percent of centre spaces that were for-profit. Alberta (1998- 2019).**

Year	Non-profit centre spaces	For-profit centre spaces	% of centre spaces that were for-profit
1998	16,793	23,735	59
2001	18,080	22,931	56
2004	18,843	22,562	54
2006	24,069	34,824	49
2008	30,354	31,960	51
2010	35,712	35,041	50
2012	39,545	40,914	51
2014	41,143	47,099	53
2016	40,798	56,308	58
2019	51,988	74,982	59

FIGURE 13 **Number of centre spaces for 0-12 year olds by auspice. Alberta (1998-2019).**

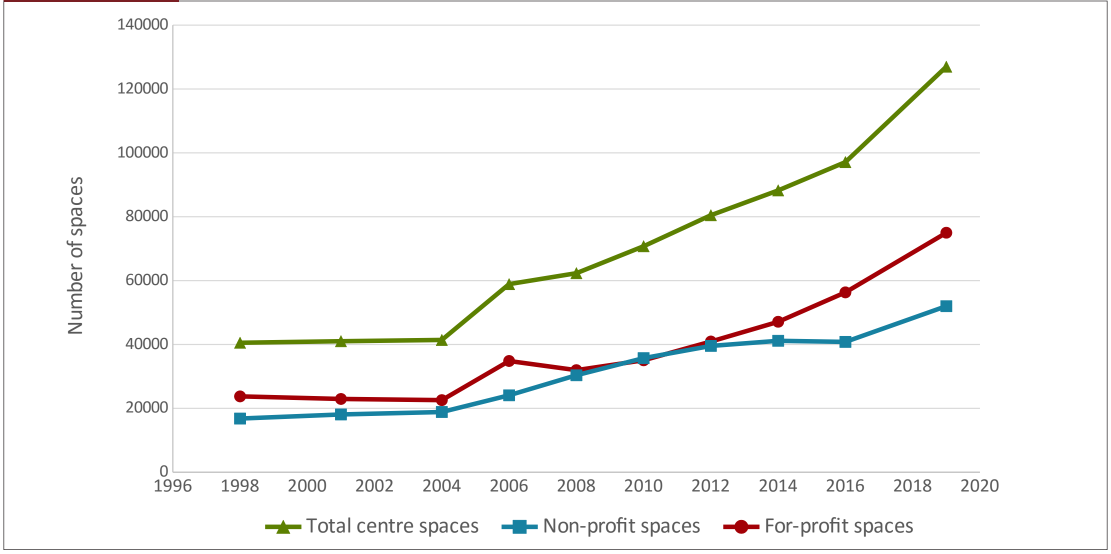
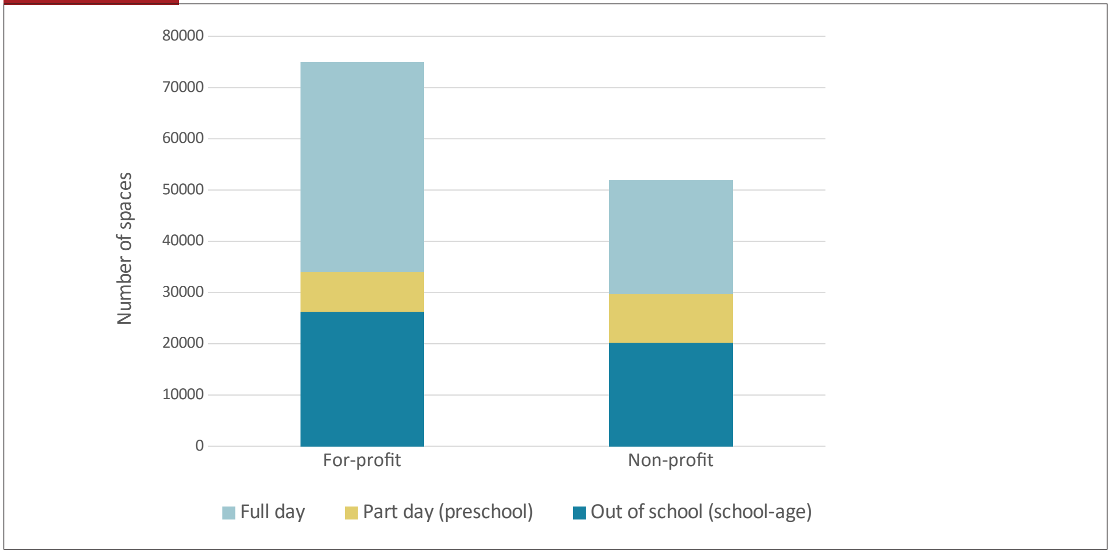


TABLE 17 **Number of full day and part day centre spaces for 0-12 year olds by auspice and breakdown of part day centre spaces (preschool and out-of-school). Alberta (2019).**

	Non-profit centre spaces	For-profit centre spaces	Total centre spaces	% of centre spaces that were for profit
Full day	22,308	41,017	63,325	65
Part day				
Preschool	9,466	7,722	17,188	45
Out-of-school	20,214	26,246	46,457	56
All part day	29,680	33,965	63,645	53
Total	51,988	74,982	126,970	59

Note: ELCC spaces and Innovative spaces are included in the full day space calculation.

FIGURE 14 **Number of full day, part day, and school-age centre spaces by auspice. Alberta (2019).**



Provincial policy and funding

Fee subsidies, one-time funding, and any other operational funding are equally available to for-profit and non-profit child care.

Operational funding to support the Alberta Early Learning and Child Care ($25/ day) pilot centres, which were all non-profit, was the sole funding not equally available to for-profit and non-profit programs. These funds, the bulk of which came from the Alberta-Canada bilateral agreement, were phased out in two phases, the second ending March 31, 2021.

Provincial benchmarks or policy changes relevant to auspice

1966	The provincial *Preventive Social Services Act* delegated decision making authority for child care to municipalities and introduced 80/20 cost-sharing arrangements (some of which came from the federal government

	through the Canada Assistance Plan) with participating municipalities. Public and non-profit centres were funded to provide care for eligible low-income families.
1970s	Alberta had a substantial publicly delivered child care sector. Edmonton, Calgary, Medicine Hat, Red Deer, Grande Prairie, and many smaller municipalities operated as many as 66 child care centres.
1980	The province took over administration of child care from municipalities. Operating allowances (grants) became available to the non-profit and for-profit sectors; the for-profit sector grew considerably.
1990	Training requirements for early childhood educators and child care staff were initiated over time despite opposition from for-profit operators. Many municipal child care programs had closed by this time.
1999	Operating allowances were eliminated following reductions to those grants throughout the 1990s.
2004	Out-of-school programs were first regulated. Both non-profit and for-profit programs could access the newly introduced Accreditation Funding, which functioned as operational funding.
2008	Introduction of the Space Creation Innovation fund, providing $1,500 ($2,000 in rural areas) to for-profit and non-profit child care programs, school boards, municipalities, and industry or community groups for each space created.
2017	An NDP government introduced the operationally funded Early Learning and Child Care (ELCC) centre program with a parent fee of $25/day. The first phase

	of this pilot project included 22 non-profit centres. Participation in this project was reserved for non-profits only.
2018	With federal funds through the Canada-Alberta Early Learning and Child Care Agreement, the ELCC pilot project was expanded to 100 additional centres (82 existing non-profit programs and 18 new non-profit programs).
2019	After a change of government, the province announced that the ELCC pilot project would end in two phases, with funding for the first 22 centres ending in 2020, and the 100 funded by the federal government ending March 31 2021.
2020	The Accreditation program was cancelled, and with it ended much of the operational funding available to both non-profit and for-profit licensed centres, out-of-school care programs, and approved family day home agencies; wage enhancement continued however.

British Columbia

Licensed child care in British Columbia (BC) includes a number of types of full and part day for-profit and non-profit centres with a small number of publicly operated programs. Family child care homes are individually licensed by the provincial government. Child care services in First Nations communities (on reserve) are licensed and funded by the province.

Kindergarten in BC is a non-compulsory, full school day program for all five year olds provided by public and private schools, which receive some public funding.

Who provides child care?

In 2019, for-profit services accounted for 53% of centre spaces in British Columbia. The for-profit share has steadily increased in the province from 1998, growing most rapidly in the 2016 – 2019 period, from 49% to 53% of all centre spaces for 0 – 12 year olds. The total net increase in centre spaces between 2016 and 2019 was almost all for-profit (more than 90% of total increase).

Full day programs are disproportionately for-profit (64%) while only 45% of part day preschools and 42% of school-age programs were for-profit. For-profit child care operators are made up of a mix of small individual owners, small or medium provincial chains, and locations of large Canada-wide corporate chains. For example, Core Education and Fine Arts (CEFA) is a B.C. franchising chain of "private early learning schools". Established in 1998 with one centre, in 2021 it has 24 centres in British Columbia and has recently expanded into Alberta. Wind and Tide Preschools Ltd. was founded in 1987 as a preschool in White Rock, B.C., opening its first full day centre in 2010. In 2021, it had 32 locations in the Lower Mainland. Calgary-based BrightPath Kids operates in British Columbia, Alberta and Ontario with more than 90 centres across Canada, seven of which were in B.C. in 2021. Kids & Company, Canada's largest for-profit chain, operates 120+ centres across Canada and the U.S. including 15 centres in ten regions across British Columbia.

Publicly operated program providers include school boards, municipalities and community centres. Publicly operated child care is new to British Columbia and growing.

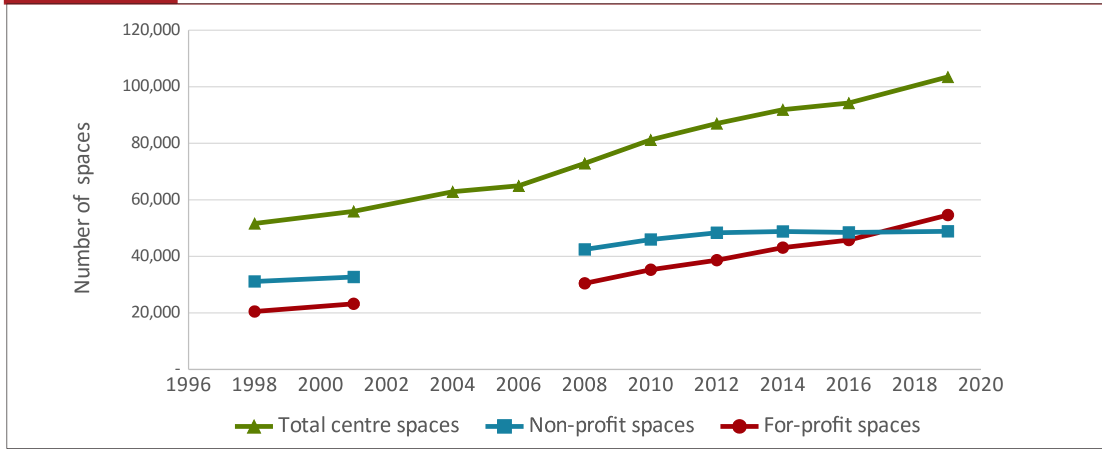
The Coalition of Child Care Advocates advocates for non-profit child care in British Columbia. The Child Care Professional Association of BC is a group that advocates for no distinctions between for-profit and non-profit sectors.

TABLE 18 **Number of centre spaces for 0-12 year olds by auspice and percent of centre spaces that were for-profit. British Columbia (1998-2019).**

Year	Total non-profit centre spaces	Total for-profit centre spaces	Total centre spaces	% of centre spaces that were for-profit
1998	31,126	20,495	51,621	40
2001	32,699	23,217	55,916	42
2008	42,447	30,456	72,903	42
2010	45,956	35,267	81,223	43
2012	48,346	38,647	86,993	44
2014	48,799	43,090	91,889	47
2016	48,470	45,767	94,237	49
2019	48,843	54,620	103,463	53

Note. Figures for centre-based spaces by auspice were not available for 2004 and 2006.

FIGURE 15 **Number of centre spaces for 0-12 year olds by auspice. British Columbia (1998-2019).**

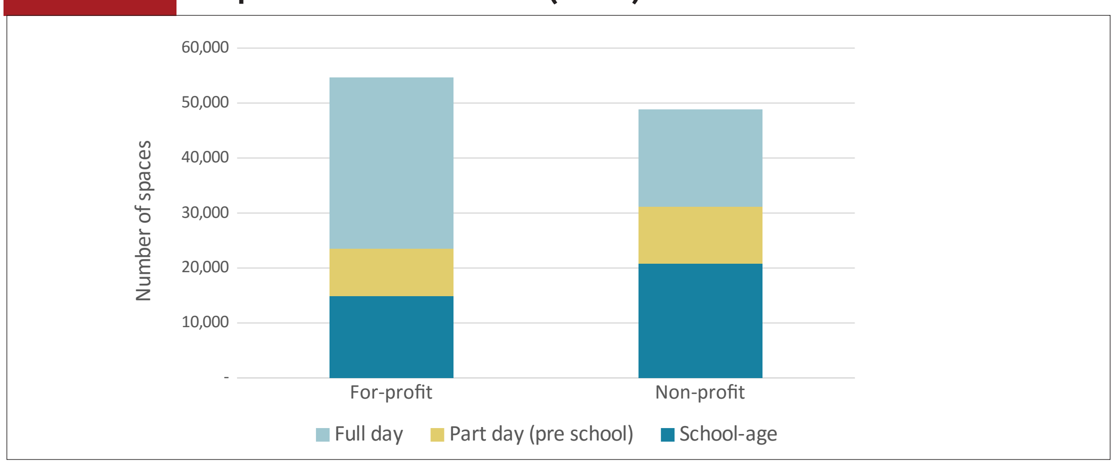


Note: Data on auspice were unavailable for 2004 and 2006.

TABLE 19 **Number of full day, part day, and school-age centre spaces by auspice and percent of centre spaces that were for-profit. British Columbia (2019).**

Type of space	Non-profit centre spaces	For-profit centre spaces	Total centre spaces	% of centre spaces that were for-profit
Full day	17,675	31,117	48,792	64
Part day				
Preschool	10,369	8,619	18,988	45
School-age	20,799	14,884	35,563	42
All part day	31,168	23,503	54,551	43
Total	48,843	54,620	103,463	53

FIGURE 16 **Number of full day, part day, and school-age centre spaces by auspice. British Columbia (2019).**



Provincial policy and funding

All for-profit and non-profit child care is eligible for all provincial funding including fee subsidies (Affordable Child Care Benefit), operational funding, and capital funding. The prototype $10/a day operationally funded sites can be non-profit or for-profit. Fee subsidies can be used in unlicensed child care.

Non-profit and for-profit child care are both eligible for the same operational funding including base funding, wage enhancement, inclusion and the Child Care Fee Reduction Initiative intended to reduce parent fees and operational funding to the $10/a day sites.

Capital funding programs began to give priority to non-profit and public services in 2020-2021.

- The Child Care BC Maintenance Fund and Child Care BC New Spaces Fund are available to non-profit, public, and Indigenous programs at a higher rate.
- The Community Child Care Space Creation Program launched in 2019 provides funds to local governments to create new non-profit child care spaces.

With funding from the first phase of the Canada-BC Early Learning and Child Care Agreement, B.C. is piloting Universal Child Care Prototype Sites that provide low cost child care with a maximum fee of $10/a day, or $200/month. Public, non-profit and for-profit centres, along with family child care homes, are eligible to apply to become prototype sites. In March 2021, there were 51 prototype programs with 2,504 spaces. About 25% of the prototype programs and 13% of the prototype spaces were operated by for-profit operators.

Provincial benchmarks or policy changes relevant to auspice

1943	Crèches, playschools, and kindergartens were first licensed under the *Welfare Institutions Licensing Act*.
1960	The child care subsidy program was introduced.
1994	A wage supplement was introduced for non-profit child care programs.
1995	For-profit centres became eligible for the wage supplement.
2001	A multi-phased, four year plan described as a comprehensive, publicly funded child care system was promised. The *British Columbia Child Care Act* was passed as a foundation document to build a system. Following a provincial election, the planned implementation was rescinded.
2003	A number of existing grants were consolidated into the Child Care Operating Funding (CCOF), which was available to all types of licensed child care and to both non-profit and for-profit programs.
2007	For-profit child care programs became eligible for capital funding.
2011	British Columbia introduced full day kindergarten for all five year olds.
2014	The Child Care Major Capital Funding Program, available to both non-profit and for-profit programs, began distributing funding to create new licensed spaces. Child Care Minor Capital Funding to assist with repairs, replacements and relocations was available only to non-profit, public, and Indigenous programs.

2015	Additional capital funding became available for non-profit and for-profit providers.
2018	Following a provincial election, the new minority NDP government revised fee subsidies and launched the Child Care Fee Reduction Initiative (CCFRI). It is available both to non-profit and for-profit programs if they agree to maintain parent fees by identified amounts. More investment was made to the new BC Child Care New Spaces Fund that replaced the Child Care Major Capital Funding Program. More than 50 sites (non-profit and for-profit centres, and family child care homes) were converted to designated Universal Child Care Prototype Sites ($10/a day).
2019	The provincial government increased funding to municipalities and regional districts to buy land for child care centres and to create new non-profit child care in their communities.
2020	Amendments to the *School Act* made it possible for school boards to operate before and after school care.
2021	Eligibility for Child Care Fee Reduction funding for new centres would now be limited to those not exceeding the 70% percentile for fees in the region.

Yukon

Licensed child care in the Yukon includes for-profit and non-profit full day and school-age child care services. Part day preschools are not required to be licensed.

Regulated family child care homes are termed family day homes and are individually licensed.

Part day and full day kindergarten for all five year olds is part of the public school system and attendance is not compulsory. Kindergarten is full day in urban areas and half day or full day programs in rural areas.

Who provides child care?

The majority of child care centres are small for-profits. Before 2012, child care was predominantly non-profit in Yukon. Since then, for-profit provision has steadily increased while non-profit spaces have declined numerically as well as proportionately. In 2019, 70% of licensed child care centre spaces were for-profit. There are no publicly operated child care programs in the Yukon.

The Yukon Child Care Association membership includes non-profit and for-profit centres and regulated family child providers.

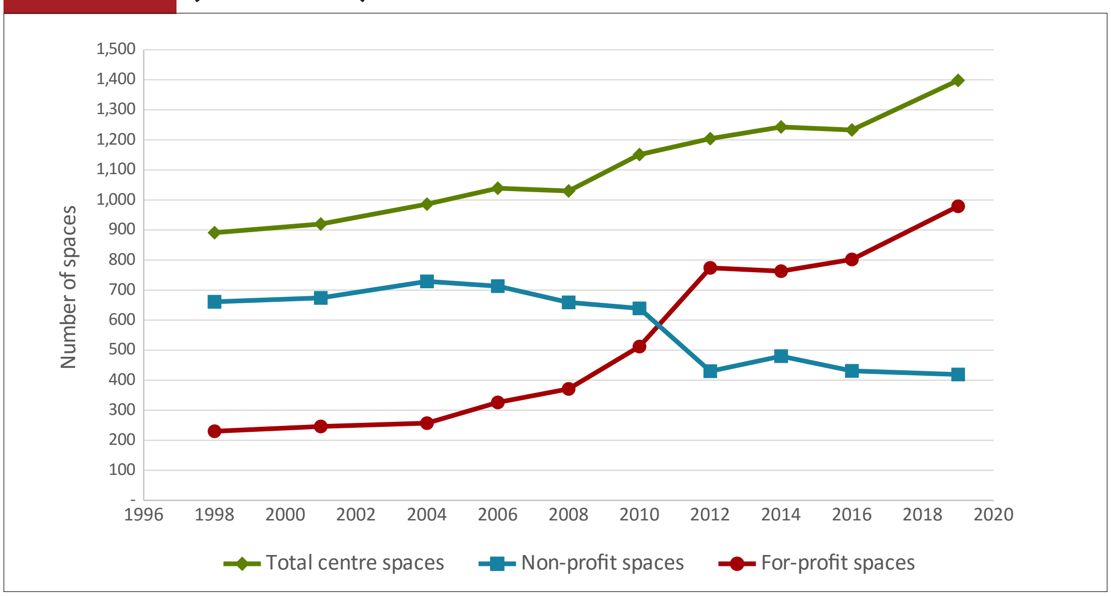
Territorial policy and funding

All regulated licensed for-profit and non-profit child care centres are eligible for all public funding including fee subsidies, enhancement grants, operational funding and wage enhancement funding. Family day homes are eligible for enhancement funding, some operating grants and fee subsidies. First Nations communities receive the same start up and operating grants from the Yukon government as others operating licensed child care centres and family day homes.

TABLE 20 **Number of centre spaces for 0-12 year olds by auspice and percent of centre spaces that were for-profit. Yukon (1998-2019).**

Year	Non-profit centre spaces	For-profit centre spaces	Total centre spaces	% of centre spaces that were for-profit
1998	661	230	891	26
2001	674	246	920	27
2004	729	257	986	26
2006	713	326	1,039	31
2008	659	371	1,030	36
2010	639	512	1,151	44
2012	430	774	1,204	64
2014	480	763	1,243	61
2016	431	802	1,233	65
2019	419	979	1,398	70

FIGURE 17 **Number of centre spaces for 0-12 year olds by auspice. Yukon (1998-2019).**



Territorial benchmarks or policy changes relevant to auspice

1979	Child care licensing for child care began under *The Day Care Ordinance*.
1981	The Day Care Subsidy program was introduced for all programs.
1986	Operating grants and a capital grant became available for all for-profit and non-profit centres.
1988	The government released *We Care: Yukoners Talk about Child Care*, which identified auspice issues. It noted that "many people" suggested that government funding should continue to existing child care centres but not new for-profit centres.
1990	*The Child Care Act* was enacted and acknowledged there should be substantial government role in the provision, delivery and regulation of child care. For-profit centres were to be "grandfathered" and treated as non-profits but the growth of for-profits using public funds was to be discouraged.
1992	Following a territorial election, child care was no longer a priority. A moratorium was placed on the operational funding.
1999	The moratorium placed on operational funding was lifted. All licensed child care programs in the Yukon received direct operating grants.
2018	The Canada-Yukon Early Learning and Child Care Agreement increased funding to the direct operating grant for licensed child care programs. All non-profit and for-profit centres are eligible.

2021	The territorial government announced new child care funding, described as universal. Non-profit and for-profit providers are eligible to enrol in the program. It will provide substantial additional operational funding for operations and wages and will require funded service providers to use set parent fees.

Nunavut

Licensed child care in Nunavut[8] includes child care centres, Aboriginal Head Start, school-age programs, and individually licensed family day homes. To receive start-up and annual operations funding, centres in Nunavut must be non-profit organizations in good legal standing. Family day homes are considered to be non-profit.

Kindergarten is a part day program for five year olds delivered in public schools through the Department of Education. Attendance is not compulsory.

Who provides child care?

Child care is provided by non-profit organizations and family day homes licensed by the division of Early Childhood Education under the Department of Education. There is no for-profit or public child care.

Territorial policy and funding

One time start up funding and annual operational funding are available to non-profit centres and family day care homes including part time, infant, after school, and special needs spaces.

There are two forms of fee subsidies available in Nunavut. Non-profit licensed child care providers, family day homes and unregulated providers are eligible to access both types of subsidies.

8 Nunavut was created in 1999 following a settlement of Inuit land claims in the Northwest Territories. The land claim is the largest in Canadian history.

- Daycare User Subsidy Fee; and
- Young Parents Stay Learning.

If the Daycare User Subsidy is being used in unregulated care, the provider may be a relative but not a parent of the child being subsidized. For the Young Parents Stay Learning subsidy, if a licensed space is not available, this subsidy may be used in unlicensed care with approval from the Department of Education.

TABLE 21 **Number of centre spaces for 0-12 year olds by auspice and percent of centre spaces that were for-profit. Nunavut (1998-2019).**

Year	Non-profit centre spaces	For-profit centre spaces	Total centre spaces	% of centre spaces that were for-profit
2001	932	0	932	0
2004	1,014	0	1,014	0
2006	987	0	987	0
2008	1,013	0	1,013	0
2010	1,015	0	1,015	0
2012	1,096	0	1,104	0
2014	1,135	0	1,143	0
2016	1,036	0	1,044	0
2019	1,128	0	1,144	0

Territorial benchmarks or policy changes relevant to auspice

Before April 1, 1999	Nunavut was part of the Northwest Territories.
April 1999	New territory of Nunavut adopts *Northwest Territories' Child Care Act*, legislation and regulations.

2002	Responsibility for child care programs moved to the Adult Education, Career and Early Childhood Services Division of the Department of Education. Allocation for child care operating and start-up grants increased by 25%.
2005	Effective April 1, 2005, the Young Parents Stay Learning Program subsidy program came into effect for parents under 18 attending school and using regulated child care (centre or family day home).
2005/06 and 2006/07 fiscal years	The federal early learning and child care funding was distributed as a supplementary grant to be used for operating expenses in eligible non-profit centres and family day homes.
2009	The Young Parents Stay Learning Program was expanded to parents over 18 and to unlicensed child care.
2020	The Bilateral Canada-Nunavut Early Learning and Child Care Agreement was renewed for the period of 2020-2021. The funds are only available to non-profit organizations and family day homes.

Northwest Territories

Licensed child care in the Northwest Territories includes regulated day care centres, nursery schools (preschools), after-school care programs, Aboriginal Head Start, and family day homes.

Junior kindergarten is provided for all four year olds and kindergarten for all five year olds. Neither kindergarten program is compulsory.

Who provides child care?

Child care is provided by non-profit child care services, Indigenous governments and family child care providers who are considered to be non-profit. There are no for-profit or public child care programs.

Territorial policy and funding

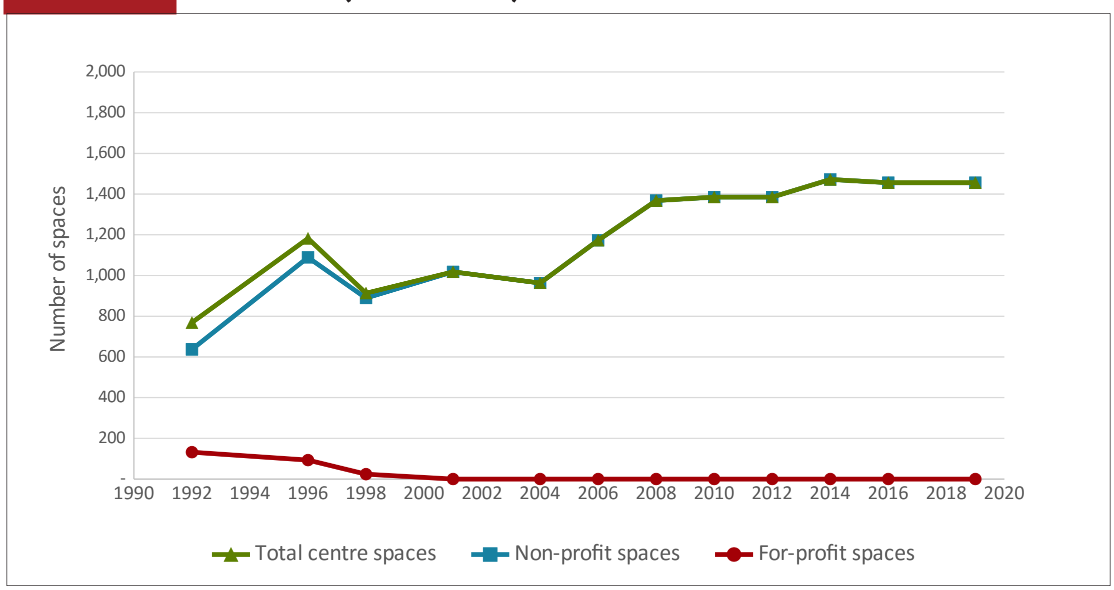
Public funding (operational, start-up and one time) is only available to non-profit early childhood centres and family child care providers. Operational, start-up and one time only funding is available.

The territory does not provide stand-alone child care subsidies; child care subsidies are part of the Income Assistance Program. These can be used for non-profit centres, family child care and unregulated child care.

TABLE 22 **Number of centre spaces for 0-12 year olds by auspice and percent of centre spaces that were for-profit. Northwest Territories (1992-2019).**

Year	Non-profit centre spaces	For-profit centre spaces	Total centre spaces	% of centre spaces that were for-profit
1992	637	132	769	17
1996	1,089	93	1,182	8
1998	889	24	913	3
2001	1,018	0	1,018	0
2004	963	0	963	0
2006	1,173	0	1,173	0
2008	1,368	0	1,368	0
2010	1,385	0	1,385	0
2012	1,385	0	1,385	0
2014	1,472	0	1,472	0
2016	1,456	0	1,456	0
2019	1,456	0	1,456	0

FIGURE 18 **Number of centre spaces for 0-12 year olds by auspice. Northwest Territories (1998-2019).**



Territorial benchmarks or policy changes relevant to auspice

1971	The Northwest Territory's first territorially funded licensed child care opened in Iqaluit.
1976	Fee subsidy policy for child care centres, family child care, and school-age child care was introduced.
1988	First child care legislation was enacted, the *Northwest Territories Child Day Care Act*.
1993	Child care responsibilities were moved from the Department of Social Services to the Department of Education, Culture and Employment.
2002	Operational funding was increased. Non-profit centres and family child care providers were eligible to access increased funding.
2005	The Child Care Subsidy Program was moved to the Income Assistance Program.
2006	In November, the first-come, first-serve provision (wait list) for grants were removed.
	There was a 30% increase in operational and start-up funding for all non-profit and family child care programs.
2014	*A framework and action plan for early childhood development in the Northwest Territories* was released, committing to enhanced access to high quality and affordable child care.
2017	Beginning Fall 2017, public, no-fee Junior Kindergarten was extended to all public schools in the territory.

2019	*Supporting Access to Child Care in the NWT 2019-2020: Supplementary Action Plan* was released, outlining goals of supporting the expansion of the non-profit child care sector.
2020	The government established a new funding program to provide non-profit organizations and Indigenous governments with funding for infrastructure repairs and retrofits to support the creation of new licensed, centre-based child care spaces in communities.

Appendix 2
Child care and auspice literature review table

This literature table lists documents related to child care and auspice reviewed for this paper. It is not exhaustive but provides published documents including peer-reviewed articles and reports relevant to child care and auspice in Canada and internationally. It includes documents in addition to those cited in the paper, concentrating on research and analysis.

This literature search builds on a bibliography published by the Childcare Resource and Research Unit in 2011.

The document search process for this paper included relevant literature beginning in 2011 through 2021. The search process primarily used Google Scholar and the ProQuest database.

The table is organized by a) location, beginning with Canada, followed by documents about countries other than Canada; b) chronologically from most recent to oldest; and c) alphabetically by first author within each year.

Canada

TITLE	CITATION	THEMES	SUMMARY
Commodification and care: An exploration of workforces' experiences of care in private and public childcare systems from a feminist political theory of care perspective	Richardson, B. (2021). Commodification and care: An exploration of workforces' experiences of care in private and public childcare systems from a feminist political theory of care perspective. *Critical Social Policy.*	Workforce, comparative studies	Drawing on the feminist ethics of care and political theory, this paper examines how educators working in private (Ontario) and public (Denmark) child care systems think about and practice care. Through interviews with pedagogues (Denmark) and early childhood educators (Ontario), linkages between the public/private positioning of care and the care experiences of educators are explored. The findings reveal differences in how educators think about and practice care in public and private systems and the notable similarities that emerged in how educators resisted neoliberal system requirements.

TITLE	CITATION	THEMES	SUMMARY
An examination of regulatory and other measures to support quality early learning and child care in Alberta	Beach, J. (2020). *An examination of regulatory and other measures to support quality early learning and child care in Alberta*. Edmonton Council for Early Learning and Care and the Muttart Foundation.	Overviews and reviews, regulation	This report reviews how jurisdictions can, and do, support quality in early learning and care through a combination of regulation and other policy vehicles and mechanisms. It discusses the history of ELCC in Alberta, and the role of for-profit care in the province over time, highlighting the increasing role of for-profit corporate chains in Alberta child care and its associated risks.
Child care utilization and stability of quality: Implications for system management and oversight	Varmuza, P. (2020). *Child care utilization and stability of quality: Implications for system management and oversight* (Doctoral dissertation, OISE-University of Toronto).	Quality	This dissertation consists of three papers addressing cross-Canada child care utilization, home child care models and factors influencing the stability of centre quality ratings. The third study uses administrative data from the City of Toronto to investigate stability of quality ratings of 1,019 preschool classrooms over three years and examines for-profit status as a factor in quality (although this is not the central focus). It finds that for-profit centres have significantly lower wages and deliver care with a lower proportion of qualified staff with ECE credentials. A comparison of the quality scores across centre types showed no significant differences between commercial and non-profit centres in the baseline year and significant difference between municipally (public) operated centres and the others.
A bad bargain for us all: Why the market doesn't deliver child care that works for Canadian children and families	Friendly, M. (2019). *A bad bargain for us all: Why the market doesn't deliver child care that works for Canadian children and families*. Childcare Resource and Research Unit.	Child care markets	This paper highlights the issues associated with relying on a child care market, asking a fundamental question: Is child care a public good or is it a private responsibility? It examines in 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.
A critical discourse analysis of Canada's childcare policy choices through a children-centered lens	Johnston, T. (2018). A critical discourse analysis of Canada's childcare policy choices through a children-centred lens (Doctoral dissertation, University of Manitoba).	Overviews and reviews, corporate child care, policy	This dissertation analyzes the state of child care in Canada as a children's right issue. Using a children-centred lens, it reveals the ways in which systems of power in Canada exert control over policy issues related to children through political discourse. Typical of liberal regimes, public funding for child care is commonly provided to for-profit providers. These regimes endorse child care as a laudable business venture and investments in these as responsible ways to promote market ideals such as competition, lower costs and greater consumer choice in service. It identifies that for-profit

TITLE	CITATION	THEMES	SUMMARY
			providers are less likely to ensure equitable access for children with additional support needs because of the increased costs associated with their care.
The experiences and perceived differences in working conditions among early childhood educators who have worked in both for-profit and non-profit childcare centres	Romain-Tappin, C. (2018). *The experiences and perceived differences in working conditions among early childhood educators who have worked in both for-profit and non-profit childcare centres* (Master's thesis, Queens University).	Quality, employment practices, workforce	In this master's thesis, four ECEs were interviewed to share their perspectives of working in non-profit and for-profit child care centres. They reported receiving significantly lower wages in for-profit child care centres, which is consistent with other research. The paper notes that for-profit centres have an ultimate goal of yielding a profit, and therefore there is little consideration to democratic political practice.
Room to grow: Policy options for developing BC's early childhood education workforce	Carlson, S. A. (2017). *Room to grow: Policy options for developing BC's early childhood education workforce* (Thesis, Simon Fraser University).	Quality, overviews and reviews, workforce	This thesis looked at the recruitment and retention issues related to qualified ECE workforce in BC. Findings confirm that persistent issues of low wages and poor social recognition remain major problems; highlighted also is a high proportion of small centres, weak workplace and institutional supports, and a recent trend of increased competition for qualified workers from education and health sectors. The paper suggests centres may use incentives to attract workers noting that critics of incentives point out that for-profit providers may simply use these incentives as a way to reduce their own labour costs and redirect funds towards profits without altering their employment practices.
Enhancing municipal support for child care: Policy options for the city of Surrey	Molina, A. (2017). *Enhancing municipal support for child care: Policy options for the city of Surrey* (Thesis, Simon Fraser University).	Overview and reviews, policy, accessibility, fees	This study explores the role that BC municipalities can play in addressing child care provisions. With a focus on the City of Surrey, this study used interviews with municipal elected officials, planners and child care experts to identify and evaluate five policy options to expand child care provisions. It concludes that adoption of a non-profit support framework and integration of child care into the City's community amenities approach are the most effective policy interventions for increasing the number of child care spaces, while ensuring high quality, affordability and accessibility objectives.

TITLE	CITATION	THEMES	SUMMARY
			The paper notes that only non-profit organizations are eligible to operate City-owned child care facilities, and that non-profit centres charge comparatively lower fees than for-profit providers.
Taking stock of corporate childcare in Alberta: Licensing inspection data in non-profit and corporate childcare centres.	Richardson, B. (2017). Taking stock of corporate childcare in Alberta. In R. Langford, P. Albanese, & S. Prentice (Eds.), *Caring for children: Social movements and public policy in Canada* (pp. 119-140). UBC Press.	Corporate child care, quality	This book chapter offers an exploratory analysis comparing publically available licensing inspection histories of BrightPath and non-profit centres in Alberta. The study found the corporately owned centres had twice as many licensing inspection visits; four times as many non-compliances with provincial regulations; twice as many critical-incident investigations; complaint investigations were ten times more numerous than in non-profit centres.
Upstream childcare policy change: Lessons from Canada	Prentice, S. (2016). Upstream childcare policy change: Lessons from Canada. *Australian Educational Leader*, 38(2), 10-13.	Accessibility, decision making	This article is a version of a keynote address delivered at the Australian Council for Educational Leadership conference. Prentice highlights that Canada's historical legacy of child care as a welfare service means that child care services are scarce, expensive, and are often provided on a for-profit basis in the private market.
Qualité, universalité et accessibilité, éclairages de la recherche et recommandations pour les politiques Quality, universality and accessibility, research insights and policy recommendations	Bigras, N., Lemay, L., Brunson, L., Lehrer, J., Cantin, G., Charron, A., & Cleveland, G. (2015). Qualité, universalité et accessibilité, éclairages de la recherche et recommandations pour les politiques. *Mémoire présenté à la commission des finances publiques portant le projet de loi,* 28, 2015-2016.	Governance, decision-making, quality	In this paper, research group Qualité éducative des services de garde et petite enfance warns that changes in provincial policy would result in growth in the for-profit sector; many families, some of whom are more vulnerable, would turn to commercial garderies. The authors noted quality concerns with for-profit child care and that these reforms would have a negative impact on child development, families, and the Quebec economy. The paper features a set of recommendations regarding public investment in the non-profit (CPE) system, regulatory frameworks for quality, and free, universal access to CPEs for all Quebec children.
Organizing for social policy change: Child care policy in Canada	Cornelisse, L. C. (2015). *Organizing for social policy change: Child care policy advocacy in Canada* (Doctoral dissertation, Carleton University).	Overviews and reviews, organizational functioning, decision-making, policy	This thesis applies a feminist political economy framework to the child care policy movement in Canada. The thesis examined how social actors have identified and understood the need for social policy change at the federal level in Canada. Including a history of child care advocacy in Canada, Cornelisse identified that child care advocates, feminist scholars and the labour movement have been fighting for a public system of child care in Canada for decades. On

TITLE	CITATION	THEMES	SUMMARY
			the contrary, for-profit businesses have historically either not been at the table or have stood in opposition to the goals of the movement.
La qualité éducative dans les garderies non subventionnées. Faits saillants, Enquête québécoise sur la qualité des services de garde éducatifs 2014 Educational quality in non-subsidized daycare centers. Highlights, Quebec survey on the quality of educational childcare services 2014	Lavoie, A., Gingras, L., & Audet, N., (2015). *La qualité éducative dans les garderies non subventionnées. Faits saillants, Enquête québécoise sur la qualité des services de garde éducatifs* 2014. Institut de la statistique du Québec.	Quality	This study by Quebec's national statistical agency provides highlights on a report on the quality of daycare centres in Quebec, found that for-profit non-publicly funded centres are consistently poorer in quality than non-profits (CPEs). The survey used the Early Childhood Environment Rating Scale (ECERS), and the Quebec-developed four-point quality scale "Grandir en qualité." Results suggest that that for-profits centres were vastly over-represented among "unsatisfactory" centres, and eight times more likely to be of unsatisfactory quality.
Comparing child care policy in the Canadian provinces	Pasolli, K. E. & Young, L. (2015). Comparing child care policy in the Canadian provinces. *Canadian Political Science Review*, 9(2), 63-78.	Organizational functioning, comparative studies, policy	The findings of this comparative (between provinces) analysis suggest that provincial child care variation is multi-dimensional. It identifies six dimensions of each jurisdiction's child care arrangements for analysis: staff to child ratios, staff wages, level of non-profit delivery, availability of spaces, government spending, and affordability. The authors suggest that the relative levels or percentage of for-profit child care in the provinces signifies differences in attitudes of provincial governments towards the role of the market and the role of voluntary organizations in the care of children outside the home. The authors suggest that there are a number of policies and incentive systems governments can use to influence delivery of child care towards for-profit or non-profit care.
Activists, policy sedimentation, and policy change: The case of early childhood education in Ontario	Turgeon, L. (2014). Activists, policy sedimentation, and policy change: The case of early childhood education in Ontario. *Journal of Canadian Studies*, 48(2), 224-249.	Decision-making, organizational functioning	This article highlights the advent of full-day kindergarten in Ontario. The author argues that presence of a strong for-profit sector would have made it far more difficult for the province to move to an early childhood program delivered by schools. The article also examines how mobilization of activists in the 1970s contributed to the gradual transformation of Ontario's approach to early childhood education on the policy and practice level.

TITLE	CITATION	THEMES	SUMMARY
Professionalization as an advocacy strategy: A content analysis of Canadian child care social movement organizations' 2008 discursive resources	Langford, R., Prentice, S., Albanese, P., Summers, B., Messina-Goertzen, B., & Richardson, B. (2013). Professionalization as an advocacy strategy: A content analysis of Canadian child care social movement organizations' 2008 discursive resources. *Early Years*, 33(3), 302-317.	Governance, overviews and reviews, accessibility	This content analysis looks at seven child care organizations' discursive resources in 2008. It examines how various types of child care advocacy organizations communicated their positions and resources to their members and the general public while managing a changing economic and political climate. Findings suggest that both ECEC workforce sector associations and community organizations shared joint advocacy messaging, downplayed concerns associated with the market approach to child care, and framed child care services as a commodity in their messaging. The authors note that auspice plays a notable role in accessibility to child care services, and the results of this analysis support this.
(Re)Centering the discourse and practice of caring labor: The intersection of feminist thought and cooperative childcare	Matthew, R. A. (2013). *(Re)Centering discourse and practice of caring labor: The intersection of feminist thought and cooperative childcare*. University of California.	Employment practices, workforce	This dissertation examines differences among for-profit, non-profit, and cooperative child care centres using cross-sectional survey data obtained from approximately 748 child care centres and 2,743 staff in Canada. The author uses feminist theories of care to critically analyze the ways in which for-profit, non-profit, and cooperative child care centers value this type of care work as evidenced by several indicators of labor quality such as: wages, benefits, advancement opportunity, workplace social capital and working conditions. The author concludes that non-profits and cooperative child care programs value care labour greater than for-profits, evidenced by higher wages and better working conditions.
Regional economic development and child care: Toward social rights	Warner, M. E., & Prentice, S. (2013). Regional economic development and child care: Toward social rights. *Journal of Urban Affairs*, 35(2), 195-217.	Marketized child care, financial/cost issues, policy	The authors review economic logic applied to child care, namely, child development outcomes, future workforce capital, and short-term impacts on the regional economy. Child care in Canada and the United States remains a private responsibility of families, despite limited access, high costs and poor quality of regulated services. The authors highlight the growth of market failure considering the poor wages and working conditions for early childhood educators, lifelong costs to mothers through foregone wages and education, and high rates of child poverty. The authors find that the economic rational is reshaping child care policy discourse at various levels and this new paradigm of child care for economic development has the protential to strengthen child care as a social right and to enhance gender justice.

TITLE	CITATION	THEMES	SUMMARY
The pursuit of profit in Ontario child care: Risky business for parents and government	Canadian Union of Public Employees Ontario. (2012). *The pursuit of profit in Ontario child care*: *Risky business for parents and government: A CUPE Backgrounder*. Author.	Corporate child care	This research and policy analysis identifies how child care in Ontario has been particularly vulnerable to large chain, for-profit child care expansion. It notes that many Canadians believe education is a public good and do not support the idea that early childhood education or other levels of education should be a big business. The backgrounder highlights that for-profit child care—especially big business child care—is a bad bargain for the public purse and governments. Ultimately, for-profit expansion has all the earmarks of a very risky, expensive and possible irreversible public experiment, which Ontario should reject.
Parent-caregiver relationships among beginning caregivers in Canada: A quantitative study	Cantin, G., Plante, I., Coutu, S., & Brunson, L. (2012). Parent-caregiver relationships among beginning caregivers in Canada: A quantitative study. *Early Childhood Education Journal*, 40(5), 265-274.	Employment practices, workforce, Parent/consumer selection	This study examined connections between parents' and emerging caregivers' perceptions of their mutual relationship using five factors that influence the quality of this relationship. The sample consisted of 166 parent–caregiver dyads on their perceptions of three indicators of their relationship quality: confidence, collaboration, and affiliation. Parents reported higher levels of confidence and collaboration than caregivers did in both non-profit and for-profit centres. Parents and caregivers had similar perceptions of relationship quality in non-profit child care settings, with less experienced caregivers, and when caregivers did not work in teams. Additionally, parents reported closer parent–caregiver relationships in for-profit centers only when caregivers had more work experience and worked in teams.
Commercial child in Canada: Can child care thrive in a speculative investment environment?	Dragomir, G. (2012). *Commercial child care in Canada: Can child care thrive in a speculative investment environment?* Coalition of Child Care Advocates of British Columbia.	Corporate child care, child care finances	This report by a certified management accountant looks at whether corporate child care can thrive in Canada. The author concludes that "if it was that easy to profit by building quality child care services that most parents can afford, there wouldn't be just one publicly traded commercial child care chain in Canada." The report is presented as a cautionary tale for investors and governments who hope that the market is the answer to the demand for child care in Canada.

TITLE	CITATION	THEMES	SUMMARY
Organizational form, parental involvement, and quality of care in child day care centers (North America)	Leviten-Reid, C. (2012). Organizational form, parental involvement, and quality of care in child day care centers. *Non-profit and Voluntary Sector Quarterly*, 41(1), 36-57.	Quality issues, organizational functioning, parent/consumer selection	This study compares parental involvement in operations, governance, and quality of care in cooperative child care centres, commercial for-profit and non-profit centres including whether parent control of the board is associated with quality. It uses data from phase two of the 'You Bet I Care!' Canadian study. Findings indicate that cooperative centres feature greater parental involvement in operational aspects including fundraising and care of the centre or grounds compared to for-profits and independent non-profits. Cooperatives are also more likely to have parents on their boards and feature boards with parent majorities compared to independent non-profits. However, more than half of non-profit centres also have parent-controlled boards. Results also show that while the cooperative form, tested as a distinct organizational type, is not a predictor of quality; parent control of the board is a positive predictor of this outcome.
Are Quebec's $7-a-day public daycare centres in danger?	Allaire, L. (2011). Are Quebec's $7-a-day public daycare centres in danger? *Inroads: The Canadian Journal of Opinion*, 28.	Financial/cost issues, parent/consumer selection, policy	This article describes the shift in Quebec child care policy during the Charest Liberal government, moving from public expansion of funded *centres de la petite enfance* (CPEs) to encouraging the development of for-profit centres. It describes the increasing costs of child care tax credits for the provincial government and the harms of an increasingly commercialized market system regarding both working conditions for staff and quality care for children. The author recommends further expansion of the CPE system, especially in disadvantaged neighbourhoods where CPEs have been slow to take root.
Les déterminants de la qualité dans les services de garde en installations au Québec	Cleveland, G. & Bigras, N. (2011). Les déterminants de la qualité dans les services de garde en installations au Québec. Quebec's policy on child-care services: Where are we 13 years later? Illuminating social statistics. May 10, 2011. Presentation, ACFAS, Sherbrooke. https://www.ciqss.org/presentation/les-determinants-de-la-qualite-dans-les-services-de-garde-en-installation-au-quebec	Determinants of quality	This conference presentation examines what is known about child care quality with specific reference to auspice. It uses data from Grandir en Qualité to analyze quality differences between for-profit and non-profit child care in Quebec.

International

TITLE	CITATION	THEMES	SUMMARY
"A 'golden child' for investors": the assetization of urban childcare property in NZ	Gallagher, A. (2020). "A 'golden child' for investors": The assetization of urban childcare property in NZ. *Urban Geography*, 1-19.	Financial/cost issues, financialization	As child care property investment has become an increasing investment trend in many neoliberal child care markets, this paper examines how urban child care property has become an attractive option for individual investors in Aotearoa/New Zealand. Using literature on urban financialization and the neoliberalization of care, the paper explores the relationship between the privatization of child care services and the growth of the child care property market; the work of property agents as key intermediaries in shaping the terrain of investment into child care property; the passive investor subject which is envisioned; and the role of the state in creating the conditions for assetization to occur.
Investing in children? Privatisation and early childhood education in Aotearoa New Zealand	Neuwelt-Kearns, C., & Ritchie, J. R. (2020). *Investing in children? Privatisation and early childhood education in Aotearoa New Zealand*. Child Poverty Action Group Incorporated.	Policy, overviews and reviews	This background report by the Child Poverty Action group highlights current challenges in the ECEC sector in New Zealand and emphasizes the need for reform of privatisation trends, especially in the context of COVID-19. It features a set of recommendations regarding public funding and regulation, diversity in ECEC provision, ECE wages, space requirements, ratio, group size, quality inspection, and community-based family supports.
Structural factors and policy change as related to the quality of early childhood education and care for 3–4 year olds in the UK	Melhuish, E., & Gardiner, J. (2019, May). Structural factors and policy change as related to the quality of early childhood education and care for 3–4 year olds in the UK. *Frontiers in Education*, 4.	Quality, employment practices, workforce	This paper analyzes 600 group child care settings in the UK on the domains of structural quality and process quality. The authors found that predictors of quality included: staff qualifications at for-profit settings, vs staff training plan and better staff to child ratio in non-profit settings. The study also found indicators of higher process quality in state funded nursery classes/schools (publicly delivered) possibly due to a greater number of qualified staff, despite a less favorable staff to child ratio compared to non-state funded settings.
Turning the tide on private profit-focused provision in early childhood education	Mitchell, L. (2019). Turning the tide on private profit-focused provision in early childhood education. *New Zealand Annual Review of Education*, 2019(24), 75-89.	Overviews and reviews marketized child care, regulatory issues, quality, accessibility, policy, ethics	This article describes the history of market-based provision of ECE in New Zealand, the growth in the for-profit sector, and evidence about quality and accessibility in the for-profit sector. The issue of for-profit provision is set within the context of international developments and solutions in Europe, UK, US, and Canada. The

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			article discusses how to reverse the trend of for-profit services through increase financial accountability, regulated requirements for staff wages, and a cap on parental fees. It also suggests that refocusing planning provision within communities to a shared vision based on democratic ideals, and attention to "competent systems" would enable child care centres to be conceptualised as public and community organisations playing an important role in fostering a democratic society.
Putting childcare at the heart of the social market economy	Penn, H. (2019). *Putting childcare at the heart of the social market economy*. Wilfried Martens Centre for European Studies.	Marketized child care, parents/consumer selection, policy	This policy brief discusses the impact of the privatization of child care and its implication for governments. The author argues that quality and equity of access become problematic in a market-based approach. The analysis points out that, unlike state funded services, parental choice is limited by income and location in a market as businesses tend to locate where profits are more reliable. The author concludes that substantial public investment is necessary to deliver child care that benefits the economy, young children, and women. The author also highlights that government subsidization of private child care needs to take into account parent fees, costs to be covered by businesses, and quality standards.
The marketization of childcare and elderly care, and its results in South Korea	Chon, Y. (2018). The marketization of childcare and elderly care, and its results in South Korea. *International Social Work*, 62(4), 1260–1273.	Marketized child care, governance, overview and review, quality, policy	This research explores the recent implementation of marketization of child care and elder care services by the South Korean government, and examines the outcomes of the implementation of such policies. Introduced in 2009, the child care benefit card system aims to alter the financing system of child care services and to empower service users to exercise choice. Public facilities include contracted facilities and are established and managed by central and local governments. Private facilities include six subtypes: non-profit social welfare corporate bodies; other non-profit corporate bodies; individually run commercial facilities; parent co-ops; household-based facilities; and workplace-based facilities. This private sector-dominated provider system has resulted in a number of challenges that negatively affect the quality of services; many service users prefer public-based facilities because of the better quality and lower price.

TITLE	CITATION	THEMES	SUMMARY
The business of care: Marketization and the new geographies of childcare	Gallagher, A. (2018). The business of care: Marketization and the new geographies of childcare. *Progress in Human Geography*, 42(5), 706-722.	Marketized child care, overviews and reviews, financialization	This article outlines a geographical research agenda for studying the marketization of child care in a Western neoliberal context. There has been a sharp increase in for-profit child care in New Zealand over the last decade which was made possible through the marketization of care. The author suggests that at a time when more families than ever rely on extra-familial child care, an understanding of how child care markets function is urgently needed.
How neoliberal globalization is shaping early childhood education policies in India, China, Singapore, Sri Lanka and the Maldives	Gupta, A. (2018). How neoliberal globalization is shaping early childhood education policies in India, China, Singapore, Sri Lanka and the Maldives. *Policy Futures in Education*, 16(1), 11-28.	Governance, organizational functioning, decision-making, policy, comparative studies	This article provides an overview of ECEC policies in five Asian countries. To date, most ECEC programs in Asia are delivered and offered by private, non-government organization, with no systematic framework to manage or regulate programs. There are few government organizations providing ECEC. Findings reveal that neoliberal ideologies of education, position ECEC programs primarily as businesses and described in market-based language.
"Learning from others": English proposals for early years education and care reform and policy transfer from France and the Netherlands, 2010-15	Lewis, J., & West, A. (2018). Learning from others: English proposals for early years education and care reform and policy transfer from France and the Netherlands, 2010-15. *Social Policy & Administration*, 52(3), 677-689.	Overview and reviews, governance, decision-making, marketized child care	In 2010, the UK Conservative/Liberal Democratic Coalition Government wanted to solve the issue of securing available, affordable and high quality ECEC by actively promoting "child care businesses" and freeing market providers from "red tape" by pursuing deregulation using policies from France and the Netherlands. The authors argue that these changes failed due to the differences in the national contexts, particularly in terms of the overarching goal of marketization.
Can we belong in a neo-liberal world? Neo-liberalism in early childhood education and care policy in Australia and New Zealand	Press, F., Woodrow, C., Logan, H., & Mitchell, L. (2018). Can we belong in a neo-liberal world? Neo-liberalism in early childhood education and care policy in Australia and New Zealand. *Contemporary Issues in Early Childhood*, 19(4), 328-339.	Parent/consumer selection, marketized child care	This article looks at the emergence of child care markets in Australia and New Zealand since the 1990s due to neoliberal economics. The paper traces the impact of neoliberalism in ECEC policy and examines the changes in discourse of ECEC provisions, both in policy and in how the market makes its appeal to parents as consumers.

TITLE	CITATION	THEMES	SUMMARY
Perceived accessibility of childcare in Europe: A cross-country multi-level study	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), 1-30.	Accessibility, organizational functioning, comparative studies	This study looks at the systemic characteristics of the European ECEC accessibility (availability) at the individual level. Findings show that child care is perceived to be more accessible in countries that (1) do not allow profit-making ECEC services for 3–6-year-old children, (2) adopt a unitary ECEC system where services for 0–3-year-olds and 3–6-year-olds are harmonized and (3) provide generous public support per 0–5-year-old child in the ECEC system. The latter has an even stronger effect on families with an income below average.
'Nationalising' and transforming the public funding of early years education (and care) in England 1996-2017	West, A., & Noden, P. (2018). 'Nationalising' and transforming the public funding of early years education (and care) in England 1996-2017. *British Journal of Educational Studies*, 67(2), 145-167.	Overviews and reviews, organizational functioning, quality	This article provides a description of England's funding policy and analysis of funding goals in ECEC from 1996 to 2017. The analysis draws on three different 'styles' of policy change. The authors note that there have been changes at the instrument level (a first-order change), with a minimum funding rate having been introduced; and a change to policy instruments (second-order change) with the introduction of the Early Years National Funding Formula. There have also been changes to the funding goals (third-order change), to distribute funds equitably from central to local government, and from local authorities to providers. The authors conclude that these changes are likely to entrench further the 'childcare market' and that regulatory frameworks would need to be aligned across different types of provider to ensure quality.
Creating capabilities: Childcare policies in comparative perspective	Yerkes, M. A., & Javornik, J. (2018). Creating capabilities: Childcare policies in comparative perspective. *Journal of European Social Policy*, 29(4), 1-16.	Marketized child care, organizational functioning, policy, quality, comparative studies, accessibility,	This comparative study analyzes child care policy designs in six countries across five key aspects: accessibility, availability, affordability, quality and flexibility. The analysis shows how these aspects shape parents' capabilities for arranging child care. Findings show that in market provision countries, service provision is more problematic in terms of service accessibility, availability, affordability and quality which, in contrast, generally underpins services in public provision countries. Limited flexibility seems an overarching problem across all countries, particularly problematic for parents in non-standard jobs, in training or education, or seeking jobs.

TITLE	CITATION	THEMES	SUMMARY
From the commodification to the corporatization of care: European perspectives and debates	Farris, S. R., & Marchetti, S. (2017). From the commodification to the corporatization of care: European perspectives and debates. *Social Politics: International Studies in Gender, State & Society*, 24(2), 109-131.	Corporatized and marketized child care, financialization	Recent developments in western Europe show that for-profit companies of different sizes, including large multinational firms, are increasingly investing in care and capitalizing on care systems. This article argues that the current configuration of care is driven not only by processes of commodification and marketization but also by complex mechanisms of "corporatization." The article concluded that by establishing business-oriented models of organization of care services, the corporatization of care is magnifying those processes that were initiated by its commodification and marketization, as well as introducing a number of changes which challenge the idea of care as a special type of practice.
Early childhood education and care in England under austerity: Continuity or change in political ideas, policy goals, availability and quality in childcare market?	Lewis, J., & West, A. (2017). Early childhood education and care in England under austerity: continuity or change in political ideas, policy goals, availability, affordability and quality in a childcare market? *Journal of Social Policy*, 46(2), 331-348.	Marketized child care, overviews and reviews	This article provides a summary of England's ECEC policy goals between 1997-2010. The paper examines how availability, affordability, and quality have been addressed in policy. The analysis shows tensions between policy goals, especially shifting ideas about the role of the state vis-à-vis the market, have emphasised the promotion of child care businesses together with weaker regulation, and in the process have facilitated a market increasingly dominated by groups of providers and chains, with the largest 20 nursery chains having a market share of 10%.
Universal pre-school education: The case of public funding with private provision	Blanden, J., Del Bono, E., McNally, S., & Rabe, B. (2016) Universal pre-school education: The case of public funding with private provision. *The Economic Journal,* 126, 682–723.	Overviews and reviews, organizational functioning, quality	This article studies the impact of free preschool education on child outcomes in primary school. The authors explore the staggered implementation of free part-time preschool for three-year-olds across Local Education Authorities in England in the early 2000s. Findings suggest that the policy led to small improvements in educational attainment at age 5, with no apparent benefits by age 11. The authors argue that this was due to the expansion of free spaces which largely crowded out privately paid care, with small changes in total participation, and was achieved through an increase in private provision, where quality is lower on average than in the public sector.

TITLE	CITATION	THEMES	SUMMARY
Choice and equal access in early childhood education: The case of Germany	Hogrebe, N. (2016). *Choice and equal access in early childhood education: The case of Germany* (ICMEC Working Paper No. 1). London, UK: International Centre for the Study of the Mixed Economy of Childcare, University of East London.	Overviews and reviews, marketized child care	This paper aims to address how various early childhood education and care systems relate to parental choice, quality, and equity. The author discusses different aspects of ECEC configurations in Europe and their implementation in Germany against the background of educational equality. Findings note that despite the issue of biased access, within its general framework legislation German ECEC policies seem to allow parents to choose and to ensure equal access to high quality services at the same time. However, the author notes that system characteristics at country level and local level can lead to inequalities, such as segregation. Based on data of one example municipality in North Rhine-Westphalia, the paper illustrates such segregation patterns at the local level. As these relate to the type of provider of ECEC services, this is discussed against the background of market mechanisms.
Hybridity: A theory of agency in early childhood governance	Robinson, R. (2016). Hybridity: A theory of agency in early childhood governance. *Social Sciences*, 5(1), 9.	Organizational functioning	This paper aims to describe the governance of ECEC services in Australia, specifically in the state of Victoria while looking at the hybridity of governance models. The author highlights that across Australia, the bulk of ECEC operators provide only one service and nearly all ECEC services receive the bulk of their revenue from governments, and this poses interesting questions for complexity and the levels of "public-ness" and "market-ness" across the for-profit and not-profit providers in the sector. The author concludes that a hybridity framework has the potential to be valuable where there is a balance to be struck between micro, meso and macro factors in a constantly shifting service and governance environment.
Governing child care in neoliberal times: Discursive construction of children as economic units and early childhood educators as investment brokers	Gibson, M., McArdle, F., & Hatcher, C. (2015). Governing child care in neoliberal times: Discursive constructions of children as economic units and early childhood educators as investment brokers. *Global Studies of Childhood*, 5(3), 322-332.	Financial/cost issues, marketized child care, workforce	In this article, the authors point to powerful discourses at play in the Australian context of early childhood education and care; these see children as "economic units" suited for future investment. The article concludes that return on investment arguments are made compelling by drawing on discourses of neuroscience/brain research, child development and economic/investment discourses. This rhetoric demands that early childhood funding be increased. These discourses are brought together to produce children as a necessary part of the country's economy and early childhood teachers worthy of high status. Young children and their early childhood

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			teachers are key to the economy of the nation. Children as "economic units" will become "smart productive citizens" and are seen as future economic contributors.
Social innovation: Redesigning the welfare diamond	Jenson, J. (2015). Social innovation: Redesigning the welfare diamond. In *New Frontiers in social innovation research* (pp. 89-106). Palgrave Macmillan.	Overview and reviews, marketized child care, organizational functioning, comparative studies	From 1998 – 2009 child care services in Europe expanded significantly with stable or greater public financing. According to this paper, reliance on publicly funded pre-school provided by institutions other than the municipal child care centre has expanded significantly. The author notes that by 2006, across Sweden the number of children attending a private pre-school was 17% and parental co-ops remained the most usual private form. However, the share of service provided by private pre-schools ranged from 0% to 47%,depending on the municipality. The author notes that the higher share of private pre-schools was concentrated in urban areas and better-off neighbourhoods. The author suggests that although child care services have increased significantly in number and the amount of public spending on them has risen concomitantly, the dominant position of public provision has given way to a multitude of market-based actors often operating as social enterprises in many countries.
How are we doing and how do we get it right for children: Evolution of the roles of the public and private sector in early childhood care and education to achieve EFA goal 1	Manji, S., Arnold, C., Gowani, S., Bartlett, K., Kaul, V., Sharma, S., & Sharma, S. (2015). *How are we doing and how do we get it right for children: Evolution of the roles of the public and private sector in early childhood care and education to achieve EFA goal 1*. Aga Khan Foundation.	Organizational functioning, overview and reviews, comparative studies	This paper reviews the progress against Education for All (EFA) Goal 1 and examines key factors that have both contributed to and obstructed achievements since 2000. The paper identifies that EFA reports have given inadequate attention to the issue of private/ non-state ECCE, which is represented by both for-profit and non-profit private facilities. They also found that private/non-state provisions cover a very diverse mix of players, and in many developing countries, a majority of both the low cost private for-profit and NGO/ community pre-schools are not registered and never are counted. They also note that within the private for-profit sector there is a vast range – in terms of values and intent and actual opportunities for children.

TITLE	CITATION	THEMES	SUMMARY
The politics of market encroachment: Policy-maker rationales and voter response	Meagher, G., & Wilson, S. (2015). The politics of market encroachment: Policymaker rationales and voter responses. In G. Meagher & S. Goodwin (Eds.), *Markets, rights and power in Australian social policy* (pp. 29-96). Sydney University Press.	Overviews and reviews, marketized child care	This book chapter discusses the marketization of public social services and privatization of public assets in Australia. The authors highlight child care as an example noting that child care has long been provided in a mixed economy, with some, but not all, private providers, enjoying public subsidies. The chapter provides a chronological review and analysis of Australian ECEC policy in regard to public funding and auspices of services.
Professionalising the early childhood education and care sector: Broadening the university mission	Neylon, G. (2015). Professionalising the early childhood education and care sector: Broadening the university mission. *Social Alternatives*, 34(2), 33-38.	Employment practices, workforce, marketized child care	This paper argues that policy reform in Australia has addressed provision and quality standards, however, the professionalization of the early years sector has been neglected in terms of status, pay and job security. Early years educators are therefore more likely to seek work in traditional school settings rather than child care. This article adds to the growing body of interest in the field of ECEC reforms, which have drawn criticism from those who consider that by not challenging the 'for-profit provision' or 'market friendly' approach, the state has contributed to the spread of neoliberal policies.
Development of publicly funded social care in Japan and Korea: Policy linkage between social care programs and labor market policies	Song, J. (2015). Development of publicly-funded social care in Japan and Korea: Policy linkage between social care programs and labor market policies. *Korea Observer*, 46(2), 265-294.	Decision-making, governance, corporatized child care	This paper examines the development of publicly funded social care programs in Japan and Korea, known as the "familistic" welfare state. This paper argues that Japan and Korea have utilized the mixture of publicly funded social care and privately dominated care delivery as a social investment strategy in order to alleviate the burden of care responsibilities on female family members and create more employment opportunities in the care sector. The author notes that these policies aim to expand publicly funded social care program without increasing government spending on constructing public care facilities and hiring public sector care workers.

TITLE	CITATION	THEMES	SUMMARY
The evidence base for early childhood education and care programme investment: What we know, what we don't know	White, L. A., Prentice, S., & Perlman, M. (2015). The evidence base for early childhood education and care programme investment: What we know, what we don't know. *Evidence & Policy: A Journal of Research, Debate and Practice*, 11(4), 529-546.	Review, quality issues	This article examines and assesses the diverse evidence base used to justify early years' interventions and to promote early years policy changes including questions about public or private delivery agent. The authors highlight that while some for-profit programs provide good quality care, overall, public and non-profit services tend to earn better quality scores. The authors identify the systemic differences between for-profit and non-profit child-care programmes.
Markets, choice of kindergarten, mothers' care responsibilities, and the voucher scheme in Hong Kong	Yuen, G. (2015). Markets, choice of kindergarten, mothers' care responsibilities, and the voucher scheme in Hong Kong. *Children and Youth Services Review*, 48, 167-176.	Parent/consumer selection, marketized child care	This paper examines kindergarten program choices of mothers from different socio-economic backgrounds (SES) using vouchers in Hong Kong. The study identifies potential market failures to meet the needs and preferences to ensure access to options for all. This paper challenges the choice rhetoric associated with the global prevalence of the market approach to early childhood services. Findings suggest that mothers place a strong emphasis on convenience when making choices of kindergarten; there is an impact on program choice related to SES and highlights issues of access linked to market situations and failure.
Childcare in the Netherlands: Lessons in privatization	Akgunduz, Y. E., & Plantenga, J. (2014a). Childcare in the Netherlands: Lessons in privatisation. *European Early Childhood Education Research Journal*, 22(3), 379-385.	Overviews and reviews, corporatized child care	This article analyzes the privatization of child care as a result of the Child Care Act of 2005. Provisions in the Act led to an expansion of for-profit services, impacting the prices, availability and quality of child care services. Findings suggest that provisions have moved from supply oriented to demand driven, and from public to private. The authors highlight that the costs for parents depends in large part on the subsidy level. The authors conclude that in a regulated environment, child care markets might do quite well in terms of meeting demand. However, it remains unclear whether market mechanism is superior to public provision in terms of quality.

TITLE	CITATION	THEMES	SUMMARY
Equal access to high-quality childcare in the Netherlands	Akgunduz, Y. E., & Plantenga, J. (2014b). Equal access to high-quality childcare in the Netherlands. In L. Gambaro, K. Stewart, & J. Waldfogel (Eds.), *An equal start? Providing quality early education and care for disadvantaged children* (pp.101-120). Policy Press, University of Bristol.	Parent/consumer selection	This book chapter examines the extent to which disadvantaged children are able to access high quality ECEC in the Netherlands. Private child care centres provide care for young children whose parents are employed, while publicly funded playgroups mainly serve children from lower income families and minority backgrounds. The authors provide new evidence on the relative quality of care children receive in the two types of programs, using data from the Pre-Cool survey for two-year-olds. They find that the average quality of care offered in playgroups is at least as good as that provided by private child care centres. However, they also find that within the private child care sector, higher income children tend to receive care of higher quality than their lower income peers.
Nordic earner-carer models – why stability and instability?	Ellingsaeter, A. L. (2014). Nordic earner-carer models - why stability and instability? *Journal of Social Policy*, 43(3), 555-574.	Parent/consumer governance, decision-making	This article investigates the role of political parties as drivers of policy change regarding the earner-carer models in Nordic countries. The author argues that the main source of instability, including policy displacement, is party competition over values of "equal parenthood" versus "parental choice." An ideological difference has also existed with regard to centre-right parties' promotion of for-profit child care centres, which is rejected by social democrats. State involvement in family affairs in post-industrial welfare states is an ongoing process, far from complete, and not quite settled in its character and scope. The present analysis demonstrates that this also applies to mature Nordic welfare states. The earner–carer model is no uncontested policy equilibrium: reforms over the past two decades encompass both policy reforms advancing and undermining the model.
The public–private partnership in ECEC provision in Norway.	Haug, P. (2014). The public–private partnership in ECEC provision in Norway. *European Early Childhood Education Research Journal*, 22(3), 366-378.	Governance, organizational functioning	This article examines public-private partnership in ECEC provision in Norway, focusing on its recent developments and future challenges. The author discusses two principles of public-private partnership development in Norwegian ECEC: (1) rational organizational perspective in which ECEC is a mean to meet major problem in society; and (2) established organizational traditions with which partnership is in accordance.

TITLE	CITATION	THEMES	SUMMARY
Childcare markets in an age of austerity	Lloyd, E., & Penn, H. (2014). Childcare markets in an age of austerity. *European Early Childhood Education Research Journal*, 22(3), 386-396.	Overview & reviews, organizational functioning, corporatized child care	This article provides a policy ethnography of public support for European ECEC. It highlights that European ECEC systems tend to form part of a mixed economy, in which the state, for-profit and non-profit providers all play a role in ECEC provision, funding and regulation, representing a market model. This article concludes that as economic austerity makes its mark on Europe, child care market challenges are growing, and the need to rethink the appropriateness of delivering UK ECEC under market conditions becomes more acute.
Early childhood education and care and poverty: Working paper prepared for the Joseph Rowntree Foundation (EU)	Lloyd, E., & Potter, S. (2014). *Early childhood education and care and poverty* (Working paper). Joseph Rowntree Foundation.	Review, poverty	In this review, the authors examine robust research on the relationship between ECEC provision and child and family poverty, paying attention to the policies underpinning the ECEC service system, their outcomes, and the wider socio- economic contexts. The authors note that achieving major ECEC system change may exceed the capabilities of countries and changes to the funding and regulation of ECEC systems may promote social justice for poor children by improving their access to good quality provision, leading to short- and longer-term positive outcomes for their social mobility and for their families' economic wellbeing. The authors conclude by highlighting that the marketisation of ECEC services poses significant barriers to achieving these goals.
Market managers and market moderators: Early childhood education and care provisions, finance and regulation in the United Kingdom and United States	McLean, C. (2014). Market managers and market moderators: Early childhood education and care provision, finance and regulation in the United Kingdom and United States. *Journal of European Social Policy*, 24(2), 122-134.	Marketized child care, organizational functioning, comparative	Comparing British and American approaches to ECEC, this paper argues that these broadly similar "liberal" welfare regimes exhibit qualitatively different approaches to market-based service provision – market manager (UK) versus market moderator (US) – through the state's role as financier and regulator. The UK's method encourages private for-profit care, and the US's method is more ambivalent.
The business of childcare in Europe	Penn, H. (2014). The business of childcare in Europe. *European Early Childhood Education Research Journal*, 22(4), 432-456.	Marketized child care, comparative	This paper highlights the extent to which early education and child care (ECEC) is provided by private organizations in the member states of the European Union, and what regulatory frameworks exist for such services. It concludes that England is exceptional in Europe in the degree to which it has conceptualized and promotes

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			child care as a business or for-profit enterprise; and it has developed a regulatory framework with a narrow scope which excludes or limits such issues as financial regulation, access, pay and conditions of work for staff, and accountability measures.
Privatisation in early childhood education (PECE) An explorative study on impacts and implications	Urban, M., & Rubiano, C. I. (2014). *Privatisation in early childhood education (PECE): An explorative study on impacts and implications*. Education International.	Comparative, overview and reviews	This explorative study describes the global trend towards increasing privatization of ECEC services, threatening to overshadow public ECEC delivery. Based on a qualitative inquiry targeting ECEC practitioners and union representatives in 14 countries, it gathers practice-based evidence of the impact of privatization in ECEC on a variety of aspects such as access to ECEC, quality of education, equity and conditions of service for teaching and support staff.
Nothing on the move or just going private? Understanding the freeze on child and elder care policies and the development of care markets in Italy	Da Roit, B., & Sabatinelli, S. (2013). Nothing on the move or just going private? Understanding the freeze on child- and elder care policies and the development of care markets in Italy. *Social Politics*, 20(3), 430–453.	Marketized child care, overviews and reviews	Italian child care and elder care policy exhibit a similar pattern in regard to the rise of new needs, the lack of policy responses, and the shift toward private solutions. Rather than the development of new policies, there has been a rise in hybrid combination of informal care and the development of a loosely regulated and little supported care market. The article asks why care in Italy has been "going private" instead of "going public"? Findings suggest that budget constraints, an inefficient, particularistic and clientelist public administration, an opaque political system, and a structure of inter-in stitutional relationships that inhibits the construction of national policy fields are likely to be responsible for the limited mobilization of social and political actors in claiming structural reforms.
The marketisation of early childhood education and care (ECEC) in Australia: A structured response	Newberry, S., & Brennan, D. (2013). The marketisation of early childhood education and care (ECEC) in Australia: A structured response. *Financial Accountability & Management*, 29(3), 227-245.	Marketized child care, governance	This analysis of ECEC in Australia found that the marketized framework for ECEC remains in place, even though the idea of a competitive market is not widely accepted by the public. ABC Learning Limited was the world's largest listed child care operator and ABC's structured business model separated child care properties (propco) from child care operations (opco). ABC grew and replicated as turnkey operators, the rising child care prices and government subsidies supported a growing array of other enterprises all seeking profitable operations. This paper explains the structured opco/propco model, identifies its interaction with accounting and lessons to be learned from marketization.

TITLE	CITATION	THEMES	SUMMARY
The costs of childcare	Penn, H., & Lloyd, E. (2013). *The costs of childcare*. Childhood Wellbeing Research Centre (CWRC), Institute of Education.	Overviews and reviews, financial/cost issues, corporatized child care, comparative	This report is a technical analysis of comparative literature and data on the affordability of child care for families. The report concludes that the use of supply led systems and fee capping regulation in most countries has depressed the growth of the private child care market, and there is more reliance on voluntary, co-operative and state provision. By contrast, in the UK and countries such as the US and Australia, families are often reimbursed through the tax and benefit system for the child care they choose to purchase in an open child care market, where fees may be set by providers in order to maximize profitability.
The rise of government in early childhood education and care the Child Care Act 1972: The lasting legacy of the 1990s in setting the reform agenda for ECEC in Australia	Irvine, S., & Farrell, A. (2013). The rise of government in early childhood education and care following the Child Care Act 1972: The lasting legacy of the 1990s in setting the reform agenda for ECEC in Australia. *Australasian Journal of Early Childhood*, 38(4), 99.	Overviews and reviews, decision-making, marketized child care, policy	Less than twenty years from the proclamation of the Child Care Act 1972, and introduction of funding for non-profit child care centres, a series of market-driven public policies paved the way for the emergence of Australia's current ECEC quasi-market. Reflecting on an era of high policy activity within ECEC, this paper examines a series of policy events and texts that set the course for the reform agenda that was to ensue in ECEC. One of the transformative policies events that occurred in the 1990s was the extension of parent fee subsidies to private for-profit child care services;
Early childhood education and care provision: International review of policy, delivery and funding. Final report	Naumann, I., McLean, C. M., Koslowski, A., Tisdall, E. K. M., & Lloyd, E. (2013). *Early childhood education and care provision: International review of policy, delivery and funding*. Scottish Government Social Research.	Overview and reviews, comparative, policy, workforce	This report provides an overview of the current ECEC provisions in Scotland, England, Sweden, Denmark, Norway, Slovenia, France, and the Netherlands. The findings from this review were: (1) countries vary widely in the extent to which parents bear the costs of child care services; (2) at the national level, most countries no longer split responsibility for ECEC across ministries; (3) the countries studied are evenly split between those which offer an integrated system of ECEC services, where both pre-school aged and younger children are included, and those which offer separate systems depending on age group; (4) the professionalization of the early years workforce is more advanced in countries with integrated ECEC services; (5) all countries in the review meet the European Employment Strategy recommendations for parents with children aged 6-11, and almost all for parents with children aged 0-6 (the exception being the UK); and (6) in countries with split ECEC

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			systems, mothers have lower employment rates, in Scotland and England considerably so, or are less likely to be in full-time employment.
Childcare expansion in East Asia: Changing shape of the institutional configurations in Japan and South Korea	An, M. Y. (2013). Childcare expansion in East Asia: Changing shape of the institutional configurations in Japan and South Korea. *Asian Social Work and Policy Review*, 7(1), 28-43.	Organizational functioning, governance, overview sand reviews, comparative, marketized child care	This study examines the institutional configurations and changes of child care provisions among the state, market, and family in Korea and Japan. The findings suggest that care time in market and state facilities has become much greater in Japan than in Korea. In both countries, the care provided by market facilities is greater than in state facilities. Over the years, both market and state provisions of care have increased in Korea whereas state care provisions have decreased, and market provisions have increased in Japan. However, the author highlights that the increased care time within the family indicates that both countries have become more caring welfare states.
Social investment or private profit? Diverging notions of 'investment' in early childhood education and care	Adamson, E., & Brennan, D. (2013). Social investment or private profit? Diverging notions of 'investment' in early childhood education and care. *International Journal of Early Childhood*, 46(1), 47-61.	Parent/consumer selection, financing	This article questions the compatibility of social investment and private investment in ECEC using examples from Australia and the UK. The case studies illustrate that public expenditure on children and families in the form of ECEC services and subsidies does not necessarily equate to access to publicly provided social services. Rather, in Australia, policy reforms in the 1990s and subsidy increases in the 2000s fuelled an increased role for private provision of ECEC and private profit, underwritten by substantial amounts of public funds.
The marketisation of care: Rationales and consequences in Nordic and liberal regimes	Brennan, D., Cass, B., Himmelweit, S., & Szebehely, M. (2012). The marketisation of care: Rationales and consequences in Nordic and liberal care regimes. *Journal of European Social Policy*, 22(4), 377-391.	Marketized child care, parent/consumer selection, policy, quality, comparative	This article examines debates and policies concerning the marketisation of elder care and child care in Sweden, England and Australia. The authors note that in Sweden and England, and to an increasing extent in Australia, policy priority is given to greater individual choice in both elder and child care markets, with service users (or their parents or carers) increasingly constituted as consumers. Market advocates claim that consumers demand greater choice of provider and higher quality services which can only be met by increased provider competition (by for-profit, non-profit, and public providers, with emphasis on for-profit providers) and user co-payments to restrain costs to the state. However, there is no firm evidence that either increased quality or lower costs have resulted

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			from increased competition, marketization, and the increased penetration of for-profit services in child care and elder care.
Making policy for care: Experience in Europe and its implications in Asia	Daly, M. (2012). Making policy for care: Experience in Europe and its implications in Asia. The International *Journal of Sociology and Social Policy*, 32(11/12), 623-635.	Overviews and reviews, organizational functioning, comparative	This article sets out a framework to understand care and offer an account of the way various European countries have provided child and elder care. The findings suggest that policy must function and be embedded in the location and type of care, the values and culture surrounding care and the arrangements around the mix of providers and modes of governance. The author highlights that a negative lesson from the European experience is the need to connect policies for care across the life spectrum and to view care in a global way. Specifically, in Europe, there is a gradual evolution of mixed policy and a fading role of states in favor of encouraging a range of "partners", some "private", some "public", some "quasi public." One consequence is that the field has become much more one of financial transaction and profit.
Childcare markets: Can they deliver an equitable service?	Lloyd, E., & Penn, H. (Eds.) (2012). *Childcare markets: Can they deliver an equitable service?* The Policy Press, University of Bristol. Edited book - **Part one: Introduction** Childcare markets: An introduction, Eva Lloyd Childcare markets: Do they work? Helen Penn Future directions for a mature UK childcare market, Philip Blackburn **Part two: Explorations in childcare markets** Local providers and loyal parts: Competition and consumer choice in the Dutch childcare market, Janneke Platenga Tinkering with early childhood education and care: Early education vouchers in Hong Kong, Gail Yuen	Marketized child care, comparative studies, parent/consumer selection	This book provides an overview of child care markets in eight countries where child care markets are the norm. It also includes research about "raw" and "emerging" child care markets operating with minimum government intervention, mostly in low income countries or post transition economies. The book compares child care marketization and regulatory processes across the political and economic systems in which they are embedded. Contributions from economists, child care policy specialists and educationalists address the question of what constraints need to be in place if child care markets are to deliver an equitable service. The last section explores the ethics and principles of the child care market.

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	Markets and childcare provision in New Zealand: Towards a fairer alternative, Linda Mitchell Publicly available and supported early education and care for all in Norway, Kari Jacobsen and Gerd Vollset Childcare markets in the US: Supply and demand, quality and cost, and public policy, Laura Stout Sosinsky Canadian ECEC labour shortages: Big, costly and solvable, Robert Fairholm and Jerome Davis Raw and emerging childcare markets, Helen Penn **Part three: Ethics and principles** Need markets be the only show in town? Peter Moss ABC learning and Australian early childhood education and care: A retrospective audit of a radical experiment, Jennifer Sumsion Childcare markets and government intervention, Gillian Paull		
The quality imperative: Tracing the rise of 'quality' in Australian early childhood education and care policy	Logan, H., Press, F., & Sumsion, J. (2012). The quality imperative: Tracing the rise of 'quality' in Australian early childhood education and care policy. *Australasian Journal of Early Childhood*, 37(3), 4.	Overview and review, corporatized child care, quality	This article investigates the development of 'quality' in Australian ECEC programs between 1972 and 2009. The study takes into account policy shifts, discourses and competing ideologies over a five-year period. The authors note that between 1994 and 2000, the endorsement of privatization saw child care provisions in Australia move from the non-profit sector to reliance on the private sector. The authors highlight that between 1991 and 2003 the number for-profit child care centres more than quadrupled. Critiques of policy aimed at improving quality in ECEC, and questions about the compatibility of quality and the profit motive emerged as a growing stream of research towards the end of this period.

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Childcare markets: Do they work? Occasional paper no. 26	Penn, H. (2012a). *Childcare markets: Do they work? Occasional paper no. 26.* Childcare Resource and Research Unit.	Overviews and reviews, marketized child care	This chapter from Lloyd and Penn's 2012 book identifies and considers the limitations of using the market as a workable model for the organisation and delivery of child care. It presents a very brief overview of the reach of economics as a basis for making decisions about child care, and describes changes in ideas about the application of market principles to traditional welfare contexts. The chapter concludes that viewing child care as a commodity to be bought and sold undermines equity and quality, and regulation has to be comprehensive and wide-reaching in order to try and compensate for these failings.
Childcare markets: Can they deliver an equitable service? Chapter 10: Raw and emerging childcare markets	Penn, H. (2012b). Raw and emerging childcare markets. In E. Lloyd & H. Penn (Eds.), *Childcare markets: Can they deliver an equitable service?* (pp. 173-190). The Policy Press, University of Bristol.	Marketized childcare	This book chapter provides examples of child care markets in low-income countries, and in post-socialist countries, where there is little or no government intervention. The author argues that the problem of access to ECEC services delivered in a raw market is poverty. The author also discusses how the market creates space for the expansion of for-profit child care, leading to inequitable access for families and children.
Childcare markets: Can they deliver an equitable service? Chapter 8: Childcare markets in the US: Supply and demand, quality and cost, and public policy	Sosinsky, L. S. (2012). Childcare markets in the US: Supply and demand, quality and cost, and public policy. In E. Lloyd & H. Penn (Eds.), *Childcare markets: Can they deliver an equitable service* (pp. 131-152). The Policy Press, University of Bristol.	Parent/consumer selection, organizational functioning, marketized child care, comparative	This book chapter assesses how well the US child care market carries out two of its primary functions: (1) to support child development; and (2) to support parental labour market participation. The author argues that many factors involved with choosing child care in the US do not match well with traditional supply and demand assumptions. The author also questions the market approach to child care in terms of fulfilling its double functions. The author notes that child care cannot be a fully free market and that there must be better regulation noting the limited scope and minimal-to-inadequate levels of regulation in the US.

TITLE	CITATION	THEMES	SUMMARY
Public funding, private delivery: States, markets, and early childhood education and care in liberal welfare states – a comparison of Australia, the UK, Quebec, and New Zealand	White, L. A., & Friendly, M. (2012). Public funding, private delivery: states, markets, and early childhood education and care in liberal welfare states–a comparison of Australia, the UK, Quebec, and New Zealand. *Journal of Comparative Policy Analysis: Research and Practice*, 14(4), 292-310.	Decision-making, corporatized child care, governance, comparative	This article looks at social investment experiences in Australia, UK, Quebec (Canada), and New Zealand. These social investment experiences suggest that governments often make choices about financing and delivery of ECEC services that do not match their human capital development goals. The authors state that human capital benefits expected of high quality ECEC have not developed because of government reliance on private providers without strong regulatory regimes capable of ensuring high quality services. The article demonstrates that public investment in ECEC programs requires much greater consideration of the relationship between public finance, public regulation or ''governance,'' and program delivery mechanisms.
Rolling back of the state in child care? Evidence from urban China	Zhang, Y., & Maclean, M. (2012). Rolling back of the state in child care? Evidence from urban China. *The International Journal of Sociology and Social Policy*, 32(11), 664-681.	Marketized child care, organizational functioning, governance	This paper investigates the changes to urban institutional child care in China since 1980. The authors note that previous work-unit based public care system has transformed to a much more complicated mix in which the roles of the state, employer, community, market, and the informal sector of the family in terms of provision and funding are unclear. The authors question "state withdrawal" and argues that it is not "the state" but "the work unit and community organization" who retreat from public care provision. The authors also argue that the change in the role of the state has been multifaceted, and not a simple one-directional movement of marketization in which the state retreated from welfare provision in its entirety.
Stratified familialism: The care regime in India through the lens of childcare	Palriwala, R., & Neetha, N. (2011). Stratified familialism: The care regime in India through the lens of childcare. *Development and Change*, 42(4), 1049-1078.	Governance, workforce, accessibility	This article explores the political and social economy of care in India by delineating the range of institutions through which child care practices are organized around the central idea of gendered familialism. Private child care options range from formalized, commercial ventures to those run by women in their own homes. They often cater to middle class, working mothers who live nearby. The bulk of private crèches and preschools are outside public monitoring and accountability with very variable quality, especially given the paucity of trained crèches workers and preschool teachers.

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Gambling on the market: The role of for-profit provision in early childhood education and care	Penn, H. (2011). Gambling on the market: The role of for-profit provision in early childhood education and care. *Journal of Early Childhood Research*, 9(2), 150-161.	Marketized child care, quality	This article explores the economic rationales for and the limitations of a market approach to early education and care services. It considers the direct and indirect research evidence about the functioning of such a market and argues that any conceptualization of early childhood services in the UK now must to take account of the growth of the for-profit child care market and the economic rationales of the marketplace.
Trust and early years childcare: Parent's relationships with private, state and third sector providers in England	Roberts, J. (2011). Trust and early years childcare: Parents' relationships with private, state and third sector providers in England. *Journal of Social Policy*, 40(4), 695-715.	Parent/consumer selection, decision-making	This paper reports upon an empirical study of the trust relationships between parents and diverse organizations providing child care. It considers whether organizational form (for-profit, non-profit, or state) or sector is perceived to be a significant indicator of trustworthiness or untrustworthiness and examines organizational behaviours which may support or hinder trusting relationships. The findings show that a minority of parents did hold opinions about the predicted reliability of state and for-profit organisations although there was little evidence that such beliefs played a central role in parents' perceptions of trustworthiness. The author also highlights that staff turnover was unsettling for parents of all backgrounds and particularly problematic at private chains, where management instability and staff turnover had occurred simultaneously.