
Non-profit day care is better, studies show

MARTHA FRIENDLY

Based on the best available evidence, it's clear that child care should not be a for-profit industry. The evidence shows that child-care systems should be designed without succumbing to the wrong-headed notion that profit-making child care benefits anyone but the shareholders.

One element of this debate is clearly philosophical. Should programs for young children be exploitable markets for businesses whose first obligation is to owners and shareholders? Or is child care -- like health care or public education -- a public good? These questions have significant implications for how early childhood education and care is practised, how children and families experience it, and the quality of children's developmental opportunities.

Quality is perhaps the most salient consideration for most people with an interest in young children. Abundant peer-reviewed research in Canada, the United States, Australia, New Zealand and Britain -- the developed countries with significant for-profit childcare -- points to significant quality differences between for-profit and not-for-profit programs, with the advantage falling decisively to the not-for-profits. This holds true whether quality is measured using observational measures -- such as the early childhood environmental rating scale -- or structural indicators such as staff training, wages, working conditions, professional development opportunities, staff morale, continuity for children, compliance with regulations, staff-to-child ratios, and how funds are used.

An exceedingly logical explanation lies behind these findings: to ensure profits, profit-making operations are more likely to skimp on staffing, supplies and equipment. Research shows they are more likely to short-change staff, hire less-well-trained educators, pay lower wages and benefits, and create working conditions that lead to higher rates of turnover and lower morale. These program characteristics are, not surprisingly, closely linked to poorer quality for children.

Research also shows that it isn't easy to regulate centres into better quality. A 2007 U.S. study found more stringent regulations are associated with higher quality in non-profit but not for-profit childcare programs. The evidence shows the for-profit sector to have lobbied for laxer regulations to allow better profitability and, in some jurisdictions, against improved maternity leave which cuts into the "market" of the youngest babies.

Another consideration is accountability for public dollars. The public funding required to ensure that childcare programs are high quality and accessible is considerable. To ensure that public dollars are spent on children, not profits, funds must be well-directed.

While Australia's wild childcare market characterized by predatory childcare corporations shovelling up loosely-tied public dollars is perhaps a worse-case scenario, it has important lessons for Canada. In an opinion piece published recently in The Record that commented favourably on Australia's corporatized childcare model, the writer disingenuously restricted explanation of ABC Learning's spectacular collapse to having gotten "tangled up in the sub-prime mortgage fiasco in the U.S." The ABC experience cost taxpayers millions of dollars in public funds, while handing governments an unwelcome very hot potato. The still-unfolding saga includes accusations of forgery, profiteering and corporate improprieties to say nothing of sky-high childcare fees, "unprofitable" populations going unserved, scandalous labour practices, questionable quality and anxiety for many working parents.

Whether childcare is for-profit or not-for-profit is not the only policy issue that determines whether children and families get needed early childhood services. But it is a fundamental choice that influences how well other key policy elements -- such as public financing, the retention of decently paid early childhood-educators, a sound pedagogical approach, and ongoing quality assurance -- function to ensure high quality and good accessibility.

Everyone knows children need love, attention and a safe place to play, and parents surely need access. But reaching a conclusion that there is no difference between for-profit and non-profit child care is -- based on the evidence -- dead wrong.

Waterloo Region would do well to carefully weigh this evidence.

Martha Friendly is executive director of the Toronto-based Childcare Resource and Research Unit.



© Copyright 2007 Metroland Media Group Ltd. All rights reserved. The reproduction, modification, distribution, transmission or republication of any material from www.thespec.com is strictly prohibited without the prior written permission of Metroland Media Group Ltd.

