

## WHAT DO WE MEAN BY NON-PROFIT AUSPICE?

Auspice — who owns and operates child care — is one of the factors that makes a difference to the quality of early learning and care services. Along with other factors such as adequate funding and regulation, and well-trained staff, non-profit auspice is a key element that enhances quality in child care services.

Non-profit child care services exist to provide a service to the community without financial gain. The research in Canada and internationally is clear that non-profit child care generally serves children and families better.

Here are some of the reasons why expansion in the non-profit sector has been a foundational principle of the CCAAC since its birth:

- Non-profits tend to have a **stronger mission** to provide high quality care. They are more trusted by donors and better able to attract resources such as grants and donated rent or utilities. They provide more care for subsidized low income children and children with special needs.<sup>1</sup>
- Non-profits put all of their **resources** back into their programs while commercial centres are set up to also make a profit.
- Non-profits hire **staff**, including directors, who are better trained and better paid, and have more favourable child-staff **ratios**.
- Through the nature of their governance models, non-profits are **accountable** to parents, governments and taxpayers and are developed in a way that responds to the needs of **families and communities first**.
- Community-based, non-profit services are best able to **integrate with other child and family services**, such as health and education. Integrated services ensure that a range of supports are available to children and their families. This is especially important in rural areas, where distances and low population density can make it difficult to access services.

### SAYING NO TO CORPORATE CHILD CARE

Another reason CCAAC supports a non-profit system is the concern about corporate child care chains. If growth is not restricted to the non-profit sector, trade agreement challenges under the North American Free Trade Agreement (NAFTA) and the General Agreement on Trade in Services (GATS) could open the way for large commercial chains to operate in Canada. In countries such as Australia that are living the experience of “big box” child care, there is documentation to show that increasing shareholder profits, not quality or children, come first. Quality issues range from staffing decisions made on the basis of cost instead of program needs,<sup>2</sup> to dangerous playground equipment, leaking toilets, broken doors and missing child locks.<sup>3</sup>

The recent mergers of large child care chains in the U.S. is also cause for serious concern. Knowledge Learning Corporation (KLC) is now the largest for-profit child care organization in the world. It operates 1,980 centers, 461 before and after school programs, and 134 employer-sponsored child care centers.<sup>4</sup> It is in all of our interests, including those of Canada’s single commercial child care operators, to work to keep corporate chains out of our child care system.

## AUSPICE IN THE NEW PAN-CANADIAN CHILD CARE PROGRAM

With more than 70% of mothers with young children in the labour force, access to quality, publicly managed child care in licensed family homes and centres is essential. Yet currently, outside of Quebec, Canada lacks the framework and resources necessary to ensure that these services develop.

As we grow a pan-Canadian early learning and care system for Canada, CCAAC believes we need to move from the current mixed system of commercial and non-profit child care to a comprehensive non-profit system. Child care should be publicly managed, much like our health care system is.

During a period of transition to the new system, all existing licensed service providers — including family child care, commercial, non-profit, and public operators — should receive increased public funding and supports and be accountable for providing quality, accessible and inclusive child care. The contribution

made by those who are currently operating for-profit child care services in many communities should be recognized.

However, federal and provincial/territorial funding for **expansion** of new services must be directed to the non-profit sector.

Even the Government of Canada's all party Standing Committee on Finance recently recommended that: "The federal government, along with interested provincial/territorial governments, at the earliest opportunity announce initiatives to... include a national, accessible, affordable, high-quality, publicly funded, publicly regulated, not-for-profit child care system"<sup>5</sup>. Our governments have the responsibility to put in place a model of child care that systematically ensures all resources are directed towards producing the highest quality system possible. Non-profit auspice is one important strategy for reaching this goal.

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<sup>1</sup> Cleveland, G. and Krashinsky, M. (2005) *The quality gap: A study of non-profit and commercial child care centres in Canada*. Toronto: Division of Management, University of Toronto.

<sup>2</sup> Tooth, G., producer (2004) "Child-Care Profits". [www.abc.net.au](http://www.abc.net.au)

<sup>3</sup> Kirby, J. (2003) "Millions Milked". *BRW* 25(44)

<sup>4</sup> Neugebauer, R. (2005) "Consolidation at the Top... At Last." [www.childcareexchange.com](http://www.childcareexchange.com)

<sup>5</sup> Pacetti, M. (2004) Recommendation 27, "Moving forward: Balancing priorities and making choices for the economy of the twenty-first century." <http://www.parl.gc.ca> pp. 116-117.