This book consists of working papers presented at the national child care conference and is intended to rejuvenate interest in the child care agenda for the 1990s. The first paper addresses child care policy and its relationship to child and family poverty, and child care and its connection to economic and labor force strategies. The second paper examines creating a child care system within the framework of a market delivery model, and the roles played by the federal and provincial governments in creating a national child care system. The third paper describes current provincial, territorial and federal child care funding programs and policies, discusses why Canada does not have a publicly funded child care system, and makes recommendations for change. The fourth paper discusses what is needed in a comprehensive child care system and illustrates how services can be delivered and coordinated. The fifth paper explores common characteristics of child care staff, examines current work environments in child care settings, and suggests policy directions. The sixth paper emphasizes the importance of a national child care strategy in relation to the commitment to the equality of women. The seventh paper provides an overview of the experiences of a company involved in child care and other work and family issues. The last paper examines the role of private community based non-profits in a national and public system of child care. Information on membership applications and publications for the Ontario Coalition for Better Child Care Network and lists of Briefs to the Ontario government and the Federal government are provided. Most papers contain references. (BAC)
Ontario Coalition for Better Child Care

Putting the Pieces Together

A Child Care Agenda for the 90s

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# Table of Contents

<table>
<thead>
<tr>
<th>Page</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>i</td>
<td>ACKNOWLEDGEMENTS</td>
</tr>
<tr>
<td>ii</td>
<td>FOREWORD</td>
</tr>
</tbody>
</table>

**Chapter 1: Child Care in a Public Policy Context**  
*Martha Friendly*

<table>
<thead>
<tr>
<th>Page</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>INTRODUCTION</td>
</tr>
<tr>
<td>10</td>
<td>CHILD CARE AND CHILD POVERTY: POLICY ISSUES</td>
</tr>
<tr>
<td>13</td>
<td>CHILD CARE AND ECONOMIC STRATEGY</td>
</tr>
<tr>
<td>13</td>
<td>SUMMARY</td>
</tr>
</tbody>
</table>

**Chapter 2: Child Care: Whose Responsibility?**  
*Barbara Cameron*

<table>
<thead>
<tr>
<th>Page</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>INTRODUCTION</td>
</tr>
<tr>
<td>23</td>
<td>CHILD CARE: A MARKET COMMODITY OR A PUBLIC GOOD?</td>
</tr>
<tr>
<td>30</td>
<td>FEDERAL /PROVINCIAL JURISDICTION</td>
</tr>
<tr>
<td>30</td>
<td>FEDERAL LEADERSHIP AND PROVINCIAL RESPONSIBILITY</td>
</tr>
<tr>
<td>32</td>
<td>STRUCTURING A NATIONAL CHILD CARE SYSTEM</td>
</tr>
<tr>
<td>32</td>
<td>PROVINCES AND NATIONS</td>
</tr>
</tbody>
</table>
Chapter 3: Child Care Funding
Mab Oloman

35 INTRODUCTION
35 CURRENT PROVINCIAL AND TERRITORIAL CHILD CARE FUNDING PROGRAMS
38 CURRENT FEDERAL CHILD CARE FUNDING PROGRAMS AND POLICIES
45 RECOMMENDATIONS FOR CHANGE
49 WHY DOESN'T CANADA HAVE A PUBLICLY FUNDED CHILD CARE SYSTEM?
52 SUMMARY

Chapter 4: A Comprehensive System of Child Care
Jane Beach

59 INTRODUCTION
59 THE CURRENT PICTURE OF CHILD CARE IN CANADA
64 A COMPREHENSIVE CHILD CARE SYSTEM: WHAT IS NEEDED?
64 A COMPREHENSIVE CHILD CARE SYSTEM: DELIVERY MODELS
66 A COMPREHENSIVE CHILD CARE SYSTEM: CHARACTERISTICS
73 COMPREHENSIVE CHILD CARE: THE SERVICE SYSTEM
74 A COMPREHENSIVE CHILD CARE SYSTEM: AN EXAMPLE
77 SUMMARY

Chapter 5: Caring for the Children
Jane Bertrand

83 INTRODUCTION
83 CHILD CARE STAFF IN CONTEXT
Chapter 6: Our Agenda for the 90's - The Importance of a National Child Care Strategy to Women's Equality
Monica Townson

INTRODUCTION
100 CHILDREN: AN INVESTMENT IN THE FUTURE
101 ECONOMIC CONSEQUENCES OF CHILDBEARING
102 CHILD CARE AND ECONOMIC POLICY
103 CAN WE AFFORD IT?

Chapter 7: The Merging of Work and Family Agendas: Bumps, Benefits and Backing
Kim Taylor

INTRODUCTION
105 WORKPLACE CHILD CARE
106 CREATING CULTURAL CHANGE
107 COMPLEMENTARY GOVERNMENT PROGRAMS

Chapter 8: The Role of Private Community Based Non-profits in a National and Public System of Child Care
Colin Hughes

INTRODUCTION
111 DIFFERENCES BETWEEN PUBLIC AND MARKET SERVICES
112 AFTER THE REVOLUTION
113 A CLOSER LOOK AT PRIVATE NON-PROFITS
114 REGIONAL AND LOCAL PLANNING
115 CONCLUSION
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Project Co-ordinator: Kerry McCuaig

Available in Canada from
Ontario Coalition for Better Child Care
500 A Bloor Street West, 2nd Floor
Toronto, Ontario M5S 1Y8
Tel: 416-538-0628
Fax: 416-538-6737

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Foreword

This book is the result of a collection of working papers that were presented at the national child care conference, *Putting the Pieces Together: A Child Care Agenda for the 1990s* that took place in Ottawa from October 15-19, 1992. The conference was cosponsored by the Canadian Day Care Advocacy Association and the Ontario Coalition for Better Child Care.

Over the last decade, the two cosponsoring organizations have developed a common set of principles upon which their child care policy positions are based. These principles served as the core assumptions for these papers. The assumptions are that child care should be:

- Universally accessible. All children, regardless of ability/disability and all families, regardless of income, work status or region of the country should be entitled to high quality child care;

- Publicly funded. Government should contribute a substantial portion of the funds required to operate a system of high quality child care for all children and families;

- Comprehensive. Canada’s families, children and communities have diverse child care needs. To meet these needs, a coordinated, flexible range of options, planned at the local community level, should be available;

- High quality. Child care programs should reflect the best available knowledge about child development. To achieve high quality, child care services should be well-regulated and non-profit. Child care staff should be paid to reflect the education required and the importance of the work.

The book, *Putting the Pieces Together: A Child Care Agenda for the 1990s* is intended to animate a rejuvenated child care agenda for the 1990s. Until all Canadian children and families have access to appropriate, publicly-funded, high quality, well-regulated, non-profit child care, this agenda will be carried forward at every opportunity.
Chapter 1

Child Care in a Public Policy Context
Martha Friendly

1 Introduction

1 Child Care and Child Poverty: Policy Issues
The current situation
The official story: Canada's children and public relations
Official action: the impact of federal policy on children
Government initiatives specific to children
Child care is an essential component of a strategy to fight child poverty
Child care: for children, families, women and the society
Why current child care policy doesn't work for poor children
What is needed to make child care part of a strategy to fight child poverty?
Universality: a key element in child care policy

10 Child Care and Economic Strategy
The current situation: labour force needs, prosperity and competitiveness
Why high quality child care must be a key component of economic strategy: Short and long-term rationales
Current child care policy: why it doesn't work to support the economy and labour market
What elements are needed to make child care part of an economic and labour force strategy?

13 Summary
During the last ten years, there has been a prolonged, intense debate about child care policy in Canada. Child care advocates, policy makers and others with an interest in child care have debated issues including universality, privatization and the role of government as they pertain to child care. Parents with young children in all regions of Canada continue to endure stress and difficulty as they struggle to balance the care of their children with work, study, job training or other responsibilities.

Public policy related to other issues has a profound relationship and interaction with child care policy. This paper is divided into two sections, each addresses one of these intersections of policy:

2. Child care and its connection to economic and labour force strategies;

Each section describes the current situation as well as how and why child care doesn't work and how child care is essential to improve the situation.

Overall, the paper discusses four key points. First, poor children are poor because their families are poor; child poverty can only be eliminated by eliminating family poverty. Second, employment is integral in a strategy to eliminate child poverty and parental employment is conditional upon reliable child care. Third, creative, realistic planning for Canada's economic renewal must incorporate a systematic child care component.

CHILD CARE AND CHILD POVERTY: POLICY ISSUES

...that this House express its concern for the more than one million Canadian children currently living in poverty and seek to achieve the goal of eliminating poverty among Canadian children by the year 2000 (Motion introduced in the House of Commons November 24, 1989 by the Honourable Ed Broadbent. Passed unanimously by all parties).
The Current Situation

The 1980s were not good years for many of Canada's children. Despite a period of economic growth in the mid-1980s, the number of poor children rose so that even before the recession began in the late 1980s, almost one million children under 18 years were poor (Kitchen et al, 1991). Indeed, the same proportion of children, 17%, lived in poverty in 1990 as in 1980 (Axworthy, 1991).

These figures do not include aboriginal children whose living conditions, health, access to social services and future opportunities are infinitely more dismal than those of non-aboriginal children. The Assembly of First Nations has pointed out that registered Indian children are more than 2.5 times as likely to be poor as non-aboriginal children (Standing Committee on Health, Welfare, Social Affairs, Seniors and the Status of Women, Subcommittee on Poverty, 1991).

How poverty is measured is often controversial. As a Senate committee studying child poverty noted:

"A great deal of imprecision surrounds the definition and the measurement of poverty in Canada and elsewhere... The measure of poverty most frequently used in Canada...is the Statistics Canada LICOs. Statistics Canada does not refer to these figures as poverty lines but indicates that people living below these lines can be said to be living in stressful circumstances. Most social policy analysts refer to the LICOs (low income cut-offs) as poverty lines" (Senate of Canada, 1990).

This report generally assumes the definition of relative child poverty that the Child Poverty Action Group uses:

"People are poor when they lack the resources which give them access to the goods and services available to most other people and which have come to be accepted in their society as basic to a decent standard of living" (Kitchen et al, 1991, pg. 21).

Since the beginning of the 1990s, the issue of child poverty has regularly been in the public eye. High unemployment, growing welfare rolls and families with young children who use food banks have become a regular feature of Canadian life. Significant and growing social inequalities have placed at least one of every six Canadian children at risk through poverty.

Children are poor because their families are poor. Children living in families led by a single parent (usually the mother) are especially vulnerable; in 1988, 58% of children living in single parent families were poor (Kitchen et al, 1991).

Parental employment has a significant impact on family living standards. Where there are one (either in a single parent or two parent family) or two working parents, and whether they work full or part-time are factors which have a vital impact on family income. Whereas families with no earners had a poverty rate of 75% in 1987, only 2.2% of families with two full-time earners were poor (Kitchen et al, 1991).
A 1991 House of Commons Subcommittee report on Child Poverty concluded that:

- the number of earners in a household is a critical factor which differentiates between poor and non-poor households; and
- the recession’s impact on families would have been even greater than it has been, were it not for the prevalence of two-income families (House of Commons, Standing Committee on Health, Welfare, Social Affairs, Seniors and the Status of Women, Subcommittee on Poverty, 1991).

A comprehensive 1991 report on child poverty in Canada pointed out that: “... lone parent families (are) at a tremendous disadvantage in terms of escaping poverty. Full time employment of the single parent is crucial for the protection of children from poverty....” (Kitchen et al, 1991, pg.19).

**The Official Story: Canada’s Children and Public Relations**

Canadian politicians wear their hearts on their sleeves when it comes to children. In 1989, all Members of the House of Commons supported Ed Broadbent’s resolution to adopt a goal of eradicating child poverty in Canada by the year 2000.

In 1990, the Prime Minister co-hosted a high-profile World Summit for Children at the United Nations in New York. The Summit was organized to promote the United Nation’s Convention on the Rights of the Child which Canada had been active in drafting. The world leaders who participated issued a World Declaration on Children which committed them to attempting to eradicate hunger and malnutrition, enhancing children’s health, working on a global attack on poverty and ensuring children’s well-being while promoting economic growth (World Summit for Children, 1990). The world leaders agreed to prepare national action plans to put these aims into practice.

The afore-mentioned 1991 House of Commons Sub-committee report stated:

"The Sub-Committee is of the opinion that poverty among Canada’s children is unacceptable and must end” (House of Commons, Standing Committee on Health, Welfare, Social Affairs, Seniors and the Status of Women, Subcommittee on Poverty, 1991, pg. 65).

The same report discussed topics related to child poverty including: primary prevention and intervention; housing; income adequacy; job creation; the tax and transfer system; and child care. It asserted that the federal government possessed the political will to address the issue of child poverty and made many recommendations about how improvements might be achieved.

Most recently, the federal government issued its formal response to commitments made at the World Summit for Children. Like many other documents pertaining to children, Canada’s Plan of Action identifies economic security as an important issue and states that family employment is the principal means by which children achieve economic security (Government of Canada, 1992). The government’s announcement of its Plan of Action stressed a belief that children matter.
Official Action: The Impact of Federal Policy on Children

Action towards eradication of child poverty appears to be superficial or rhetorical at best. Indeed, it can be argued that some federal government initiatives have moved in a counter direction, that is, to deepen social and economic inequalities in Canada and to weaken the situation of many Canadian children and their families.

The impact of high interest rates and the free trade agreement, as well as specific regional conditions, have driven families in numbers unprecedented since the Depression into unemployment. Erosion of unemployment benefits has compounded the problem of job loss for many family wage-earners; the National Council of Welfare has pointed out that many of the unemployed are now being forced onto the welfare rolls by changes which the federal government has made in the unemployment insurance system (National Council of Welfare, 1992).

Minimum wages rates are no longer adequate to support a family, and progress towards legislated pay equity for women has been slow. Consequently, many wage-earning parents cannot earn enough to keep their families out of poverty and the ranks of families who can be considered working poor have swelled.

Tax reform has shifted the burden of taxation to middle and lower income Canadians, especially families with children (Battle, 1990). Simultaneously, the federal government has limited its transfer and cost-sharing payments for provincial health, post-secondary education, and social welfare programs. In 1990, the federal cap on the previously open-ended Canada Assistance Plan has held Ontario, Alberta and British Columbia to a 5% annual increase for five years, abrogating a contractual agreement between federal and provincial governments.

The impact of the CAP ceiling on the three provincial governments has been felt acutely as social service budgets have swelled in response to the recession and economic restructuring. The cap appears to have had a significant impact on the expansion of regulated child care.

In 1991, child care supply grew at the slowest growth rate since 1978, dropping to an increase of 2.95% (compared to an increase of 7.65% the previous year). Health and Welfare's figures suggest that the very low rates of child care growth in Ontario and Alberta, two of the three capped provinces, account for the low national growth figures (Health and Welfare Canada, 1992).

Critics observe that cuts in federal transfers to the provinces through the Established Programs Financing Act for health care and post-secondary education, not only transfer the cost of providing these programs to provincial governments, but also constitute a serious attack on Canada's national health care system and on the principle of universality (Rachlis, 1991; Gray, 1991).

Observers of social policy comment that a silent revolution has occurred during the Conservative era, not only in the content of Canadian social policy but in the process which makes it. Since 1984, the federal government department which has most influenced social policy changes has not been Health and Welfare but Finance (York, 1992; National Action...
Committee on the Status of Women, 1992). The major social policy initiatives of the Mulroney government - transfer of costs to the provinces, de-indexation of benefits, erosion of transfer payment schedules, and the principle of universality's abandonment - all have followed a scenario which the Finance Department created, and its Minister directed.

This shift has been executed through a series of enigmatic maneuvers which have, from the general public's perspective been largely hidden, buried in complex schedules and negotiations and, therefore, essentially silent. Yet this shift's long-term impact on Canadian social policy will be extremely significant, radically outlying the nature of social program as the nation.

These policy directions may appear to be related to child poverty and child care only in a secondary way. However, they are intimately connected to the deepening gulf between rich Canadians and poor Canadians. As a sizeable segment of Canadian families with children have a smaller share of the country's wealth and services, the manner in which their children are affected is too profound to be assuaged by superficial solutions.

**Government Initiatives Specific to Children**

Several recent federal initiatives have been specifically concerned with children and child poverty. The 1992 budget included an announcement that the universal Family Allowance would be repealed and converted into a new targeted Children's Benefit and, almost simultaneously, the federal government announced the death of plans to introduce a national child care policy.

In the spring of 1992, the federal government released a Plan of Action, Canada's response to its international commitments made at the World Summit on Children. It included:

- illness, injury and death;
- written materials to promote children's health;
- an injury awareness campaign;
- mental health promotion in aboriginal communities;
- grants to address the needs of high risk children; and
- a Child Development Initiative to prevent developmental risks in the early years (Government of Canada, 1992).

Many groups and individuals who work on children's policy were generally unenthusiastic about the Plan of Action, negative about the Family Allowance's repeal and dismayed at the end of plans for a national child care policy. Objections to the universal Family Allowance's repeal included concerns about a frontal attack on the principle of universality, and about the targeted benefits inadequacy, as a means to combat poverty. Indeed, witnesses before the Legislative Committee on the new Children's Benefit pointed out that the benefit would shrink even further in the next few years because it would no longer be indexed to inflation. Critics of the Family Allowance's conversion frequently mentioned the vital
importance of including child care in a strategy to combat child poverty (Minutes of Proceedings and Evidence of the Legislative Committee on Bill C-80, 1992).

Child Care is An Essential Component of a Strategy to Fight Child Poverty

There is little disagreement about the important role child care can play in an effective strategy against child poverty (Child Welfare League of America, 1991). Child care is an essential family support service and has both short-term and long-term implications for poor children and their families.

The short-term implications of child care for child poverty are related to parents' access to employment, education and job training. Child care can help poor families reduce welfare dependence, or raise the family income of the working poor from below the poverty line by allowing a single or a second parent to work or to work full, rather than part-time. Without access to reliable child care, parents of young children cannot go to work, school or participate in job training in order to leave the welfare and unemployment rolls.

The long-term implications of child care are associated with child development. Quality is the key to the impact of child care on children's development. A substantial body of well-conducted research suggests that although high quality child care is an asset to children's development, poor quality care can be detrimental, even over a period of years (for recent reviews of this literature, see Doherty, 1991, 1992; Hayes et al, 1990; Howes, 1990; Phillips & Howes, 1987).

High quality child care is a positive influence on the development of children from all social classes. In addition, it has demonstrated success as a preventative program for poor children (Ontario Ministry of Community and Social Services, 1989). High quality child care and early childhood education fosters optimal development and strengthens the school performance of disadvantaged children (Lazar and Darlington, 1982; Gullo, 1990).

The Ontario Child Health Study recognized the importance of expanding:

"quality child care programs as a preventative measure against poor school performance and emotional and behavioural problems, particularly for poor children, regardless of whether their parents are working" (Offord et al, 1989, pg. 20).

It is paradoxical that children from disadvantaged families, who stand to benefit most from high quality child care, are least likely to get it. Research indicates that families who are more disadvantaged (more poorly educated, lower-income, or more stressed) are more likely to choose poorer quality child care (Goelman & Pence, 1987; Phillips, 1987).
Child Care: For Children, Families, Women and the Society

Child care programs which are provided to give disadvantaged children a head-start are often only part-day programs. This approach treats child care as a program with only one target group, children, and may fail to meet working parents' needs for alternative care.

Child care is, in fact, a basic service which can serve several target groups simultaneously. For child care to be maximally effective, all the target groups - children, families, women and the broader society - must be considered. A part-day head-start program may not be useful to a family which needs full-time child care in order to participate in education, job training or employment. For them, a part-day, rather than a full-day program may mean that they must remain at home and lose out on opportunities to participate in the workforce or job training. Or, children who are getting a head-start for part of the day may be in a poor quality child care arrangement for the rest of the time while their parents work.

If child care is to benefit the larger society by alleviating the costly effects of poverty in both the short and longterm, the fit between the needs of the child, the family, and the workforce must match.

Why Current Child Care Policy Doesn’t Work for Poor Children

Canada’s main federal child care funding scheme, the Canada Assistance Plan, is targeted to poor families. However, this scheme is ineffective, even for the poor for whom it is intended.

The Canada Assistance Plan’s child care provisions treat child care as a welfare service, providing fee subsidies for families in need or likely to be in need. However, it actually assists only a limited number of eligible families with their child care fees (Cleveland, 1987).

The Canada Assistance Plan, the only federal scheme which pays for child care for poor families has been curtailed. By comparison, the Child Care Expense Deduction from income tax, which is most advantageous for higher income families, has been expanded - from $2000 in 1984, to $5000, in 1992.

Until 1990, federal spending through the Canada Assistance Plan was open-ended; only the provinces imposed limitations. As noted earlier, the federal government has now capped the Canada Assistance Plan so that, since 1990, both federal and provincial governments have limited CAP spending for child care.

Fee subsidies are provided at the discretion of provincial governments who limit CAP child care spending in a number of ways. First, in some provinces, even low income families who are fully eligible for subsidies must pay hefty surcharges amounting to several hundred dollars a month. Second, other provinces have many more income-eligible families than available subsidies; resulting in long waiting lists for available subsidies.

Third, the incomes at which families are eligible for subsidy vary enormously by province. The provinces use income levels lower than the relatively generous levels up to which the federal government will pay 50% of child care costs. (Childcare Resource and Research Unit, Health and Welfare Canada, 1992). For example, the federal government
currently would allow a family (1 adult, 1 child) earning up to $45,504 net to be subsidized. However, Prince Edward Island and the Yukon, respectively, restrict subsidies to families earning less than $10,080 and $18,552 (Health and Welfare Canada, 1992; Childcare Resource and Research Unit). These provincial limitations mean that, in fact, no province has ever made full use of federal dollars for assisting low income families with child care through the Canada Assistance Plan.

Canada's funding arrangements are clumsy and ineffective mechanisms for developing and maintaining child care services. Consequently, appropriate high quality child care is not available in much of Canada. Indeed, the increase in the number of children whose mothers are in the labour force has been much, much greater than the increase in the number of regulated child care spaces over the past decade (Friendly, Rothman and Oloman, 1991).

Most poor families and children, like other Canadians, find it difficult to get appropriate child care services. Poor families, however, face added disadvantages in affording child care. Those who cannot get fee subsidies, or those who must pay high surcharges above the subsidies are unlikely to have the money to pay out-of-pocket for regulated or even unregulated care.

Child Care: Part of a Strategy to Fight Child Poverty

Several elements are needed to make child care part of an effective strategy to combat child poverty. First, if child care is to be accessible to low-income families, and to be of good quality, substantial public funding is a basic need. Second, poor families' varied needs for full-time, part-time, group and family day care, and other services for children from 0-12 years of age, like higher income families' needs, can only be met through a flexible, comprehensive system of child care and related family policies. Third, as pointed out earlier, child care services must be of high quality, if they are to meet children's developmental, educational and quality-of-life needs.

That these three elements are essential has been well documented. The need for a fourth element, universality, is less obvious but equally pivotal.

Universality: A Key Element in Child Care Policy

Generally, Canadian health, social and educational programs have been developed as universal programs. A debate has now arisen about whether universality is possible and, indeed, desirable. Critics of universality suggest that targeting social programs is an effective way to curtail costs, while still providing aid for the needy. Others argue that the concept of universality makes both social and economic sense; and, that savings gained in cutting back government programs to make them selective or targeted, rather than inclusive or universal are, in fact, false economies (Muszynski, 1992).
Social programs involve no consistent definition of universality. In Canada, however, the term universally accessible child care has been consistently used to signify:

"...a situation in which all families, regardless of income, employment status or region of the country would be able to use an appropriate child care service. ..."accessible" child care means that appropriate services would be both available and affordable to families; that is, families could pay fees geared-to-income." (Canadian Day Care Advocacy Association, 1986).

There are a number of reasons why child care services should be accessible to all children or families, not just to those selected according to their parents' incomes:

1. Targeting social programs to the poor leaves them unprotected against changes in governments, social climate and swings in the economy because they lack the support from a range of social classes needed to sustain them during difficult times;

2. Universality can be an important foundation for a non-stigmatizing preventative, rather than remedial, approach;

3. Educational and child development research demonstrates that integrated programs are more developmentally and socially effective for targeted groups than segregated, ghettoized or streamed programs;

4. Policy which focuses on the access of only poor children to high quality care consigns many other children to the negative effects of poor quality experiences. Doherty observes that:

"It would be ironic to provide compensatory preschool programming for children from family backgrounds which place them at environmental risk and allow middle-class children to suffer delayed development as a result of being in poor out-of-home care" (Doherty, 1992, pg.43).

5. Working and middle class families, like poor families, cannot afford the full cost of high quality child care. A child care policy which provides public funds to assist only the poor with access to child care is inequitable, and unfair to these families who bear much of Canada's tax burden;

6. Canada has a long-established tradition that children's benefits are an acknowledgement of the societal value of child-rearing, and an indication that society, as well as parents, should share its costs.
The cost of a system of high quality child care for all families who want it, or need it, is daunting for officials in public office who tend to think in terms of short-term expenditures, not long-term benefits. However, attaining a system of child care for all children and families will be a long-term process, and the initial costs will be spread over a relatively long time. A necessary first step will be to establish appropriate legislative, funding and planning mechanisms, a set of targets, and time-tables to work towards the long-term goal of child care for all children.

The arguments for a universally accessible child care system are compelling and the examples from other nations which provide child care as a publicly-funded service to all families are many. Canadian child care would be most productive for children, families, and the society as a universally accessible, not a targeted system. The cost of child care should be considered an investment in Canada's current and future social and economic fabric.

CHILD CARE AND ECONOMIC STRATEGY

"...The potential for learning begins at birth. The ability of children to succeed in school and in life is largely dependent on the quality of their early development...We believe that education is an investment, not an expense. If we can ensure that children develop the skills and knowledge they need to be productive, self-supporting adults, whatever is spent on their development will be returned many times over in higher productivity, incomes, taxes and in lower costs for welfare, health care, crime and other economic and social problems." (Committee for Economic Development, 1991, pg. 4).

The Current Situation: Labour Force Needs, Prosperity and Competitiveness

In the early 1990s, Canada's economic climate has forced a serious re-examination of the country's economic and labour force strategy. Observers argue that Canada's ability to be competitive will depend upon innovation and high productivity which, in turn, rely on a skilled, competent workforce, able to adapt to changing societal and economic demands (Porter, 1991).

A sizeable supply of skilled, competent workers will be needed in Canada's future labour force. However, several factors invite predictions of shortages of skilled labour within the next decade: an aging workforce, a high (for an affluent nation) illiteracy rate and a high school drop-out rate – all characterize Canada's labour supply (Employment and Immigration Canada, 1989). Numerous Canadians, as many as 28% of those between 16 and 24 years of age, are functionally illiterate, and too many Canadians leave school without acquiring marketable job skills (Economic Council of Canada, 1992).

Mothers of young children are one of the fastest growing sectors of labour force growth. By the end of the 1980s, labour force participation rates for mothers with young children, including those whose youngest child was less than three years old, had surpassed those of all women; 2/3 of all new entrants into the labour force between now and the year 2000 are expected to be women with children (Statistics Canada, 1990).
Why High Quality Child Care Must be a Key Component of Economic Strategy: Short and Long-term Rationales

An effective economic and labour force strategy for Canada needs a system of high quality care for young children as an integral component. A good source of new workers to meet Canada's labour force needs for skilled employees is the pool of women with young children. At the same time, as more women enter the formal labour force, fewer unregulated caregivers will be available to provide child care in their own homes. As this supply of informal child care arrangements shrinks, a system of reliable, accessible child care will be essential to facilitate the work-force participation of women with children.

A competitive economy requires a productive workforce, and high worker morale, low turnover and low absenteeism make positive contributions to high worker productivity. Supporting workers who have family responsibilities with progressive family policies and high quality, accessible, appropriate child care services can play a key role in enhancing workforce productivity.

Several studies document this argument. Some have shown a clear link between absenteeism and inadequate child care, and between absenteeism and child illness (Akyeampong, 1988; Edelman, 1989; Conference Board of Canada, 1989). Family stress related to competing work and family demands is also linked to poor productivity; in a Conference Board of Canada survey, 80% of respondents reported that work/family pressures affected absenteeism, productivity, promotion, training and transfer decisions (Conference Board of Canada, 1989).

A second perspective is a more long-term one. Healthy child development and education are processes which begin early in life. The acquisition of language skills, the development of social competence, and the emergence of cognitive autonomy in infancy and early childhood - these are the building blocks for later, life-long learning. A challenging, developmentally appropriate learning environment can allow young children to achieve their maximum potential, and can enhance chances for later success in school and other environments.

Current child development research demonstrates that the quality of child care predicts development. Children who are cared for in poor quality settings, whether centre or home-based, are more likely to exhibit poor peer and adult relations, delayed language acquisition and, ultimately, poorer academic performance than children who are cared for in high quality child care (Doherty, 1991; Hayes et al, 1990; Howes, 1990; Phillips, 1987).

European countries like France, Denmark, Italy and Sweden have recognized that high quality child care and early childhood education is a long-term asset to a country which is attentive to its human resources (Richardson and Marx, 1988; Moss, 1990; Lamb et al, 1992). A recent report prepared for the federal government's Prosperity Secretariat made this argument strongly as did a major Ontario report on high school drop-out rates, which urged a substantial investment in early childhood education to combat the problem (Doherty, 1992; Radowanski, 1987).
Current Child Care Policy: Why it Doesn't Work to Support the Economy and Labour Market

A marketplace approach is a gross and inefficient way to deliver the comprehensive, flexible, reliable child care services and work/family policies needed to allow Canadian parents to participate fully and actively in the labour market, education and job training. Many Canadian workers who are parents cannot get appropriate child care, and are prevented from entering or fully participating in the work force. Child care services are not available where they are needed. Even if they are available, many parents, even middle income parents, cannot afford the care they and their children need (Lero et al, 1992; Friendly, Rothman and Oloman, 1991).

A second way in which Canadian child care policy does not work is associated with the relationship between quality child care, child development and the long-term need for a competent workforce. Current Canadian policy has not really recognized the importance of the quality of care in children's development. Research suggests that regulated child care is more likely to be of high quality than unregulated child care. However, as pointed out earlier, relatively fewer regulated child care spaces are available for children with working mothers, than were provided ten years ago (Doherty, 1991; Friendly, Rothman and Oloman, 1991).

In addition, provincial standards and policies which have an impact on the quality of regulated child care - staff-child ratios, staff training requirements, group size, auspice, funding related to salaries and benefits - are inadequate to ensure that regulated child care services are of high quality. In comparison with child development experts' recommendations, Canadian provincial and territorial minimum standards for child care fall short in a number of instances (Childcare Resource and Resource Unit, Friendly, Rothman and Oloman, 1991). Even where relatively adequate standards are in place, monitoring and enforcement practices are often inadequate, further compounding the problem (Kyle, 1992).

Elements Needed to Make Child Care Part of an Economic and Labour Force Strategy

Several elements are needed to allow child care to support both families, so that they can participate in revitalizing Canada's economy, and their children, so that they can become the future's skilled workers. The first element is comprehensiveness. As we have pointed out, a competitive economy with a productive workforce will generate a diversity of child care needs. Meeting these labour force-related child care needs means that a sufficient assortment of flexible, affordable child care services must be available.

To meet the diverse care needs of children, their parents and the labour force, Canada needs a coordinated, flexible range of services - family and group child care, full-days, part-days and part-time care; family resource services and care for extended and unusual hours. In addition to this range of child care services, supportive family policies to provide maternity and parental leave, family responsibility leave to care for ill children, and other policies which can both encourage high worker morale and help parents balance work and family responsibilities are essential.
A second key element of child care as a component of an economic strategy are high quality services to support the future work-force's developmental and educational needs.

A third important element is universal accessibility. Today, children and families of all income levels need some variety of child care. As discussed earlier, a system which facilitates and encourages the participation of all social and economic groups, (similar to our health care system,) would not only be equitable, and in the tradition of other Canadian social and educational programs but would be the most productive approach to child care.

The final element needed to make child care a component of a sound economic strategy is public funding. Substantial public funding is the foundation on which any improvements in the child care situation in Canada must be based. Without it, none of the other elements are possible.

Public spending for child care must be considered within the context of other public spending priorities. In difficult economic times, it is easy for policy makers to claim that public funding for child care must wait until the deficit or the recession are under control. However, even during recessions, other spending priorities almost always supersede children's needs.

For example, a recent report on public spending on Canadian health care documented billions of misspent dollars, and estimated that one-third of health expenditures are unnecessary. The same report called for increased government spending for health promotion and prevention. The role of high quality child care in prevention is widely acknowledged (Canadian Public Health Association, 1992).

**SUMMARY**

Several elements emerge as fundamental if Canadian child care is ever to serve its target groups: children, families, women and the broader society. Public funding can demonstrate society's intention to share in caring for its children. Without public funding, a coordinated system of child care cannot develop. Nor can accessibility, comprehensiveness and high quality be ensured.

Accessibility to all children and families, comprehensiveness and high quality are required if child care is to become both part of a strategy to combat child poverty and a component of an economic strategy. Finally, without an opportunity for strong federal leadership, it is less likely than ever that a national system of child care would be achieved in Canada. However, a strong advocacy strategy and creative policy proposals will continue to be important priorities.

*Martha Friendly is the coordinator of the Childcare Resource and Research Unit at the Centre for Urban and Community Studies, University of Toronto. She is the author of a book on Canadian child care policy Child Care Policy in Canada: Putting the Pieces Together which will be published in early 1994. Friendly has been active in child care advocacy for many years, supporting the development of high quality, non-profit child care for all families. She chairs the child care committee of the National Action Committee on the Status of Women and is on the Council of the Ontario Coalition for Better Child Care.*
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Chapter 2

Child Care: Whose Responsibility?
Barbara Cameron

18 Introduction
18 Child Care: A Market Commodity or a Public Good?
   Child care as a public good
   Should child care be publicly-operated or non-profit?
   The place of parents' fees
   The private sector's role
   Responsibility for expansion of child care services
   The transition to a public good model

23 Federal/Provincial Jurisdiction
   Provincial governments' powers
   The federal government's powers
     a) The federal spending power
     b) Conditions attached to federal spending
     c) Equalization payments
     d) Taxation
     e) "Peace, order and good government"
   A comment on the municipalities' role
   A summary of jurisdiction
   The choice of policy tools

30 Federal Leadership and Provincial Responsibility
   Should the federal government be involved?
   National social programs or equalization payments?
   The Provinces' role

30 Structuring a National Child Care System
   Federal government
   Provincial governments
   A comment on national standards

32 Provinces and Nations
The establishment of universally accessible social services in Canada, from education to health care, has traced a common path. In the beginning, separate institutions arose which offered services in isolation from other institutions. The private sector of the economy administered these services, either through religious or charitable organizations or as small businesses. Public sector involvement was limited. In the case of hospitals and social welfare, it was confined to those situations where private institutions could not cope with the most disadvantaged in society. As a result of social activists' efforts, political pressure grew to move the isolated, privately-operated services into the public sphere, either as publicly run, or, as publicly regulated and publicly funded systems of services.

In Canada, child care today in many respects is where public education was in the last half of the nineteenth century, and where hospital and health care services were in the late nineteen-fifties and early nineteen-sixties. For the most part, public funding and public operation of services still continue within a charity or welfare framework, and are directed to the neediest in society. The challenge facing child care advocates is to create a system of universally accessible services out of a fragmented mixture of services which includes commercially run and non-profit centres, and regulated and unregulated home child care, financed through a combination of user fees and public funding.

This paper addresses two issues which are fundamental to the establishment of a national system of child care:

- Can a child care system be created within the framework of a market delivery model?
- What roles should the federal and provincial governments play in creation of a national child care system?

**CHILD CARE: A MARKET COMMODITY OR A PUBLIC GOOD?**

The design of Canada's child care system is founded on the market model. Child care services are seen as a private commodity to be purchased at the going rate on the market. Within this model, the private market includes both commercial and non-profit services. Government's role is limited to intervening where the market fails. In the case of child care, government intervention is directed at helping those too poor to afford the market costs. It helps them by subsidizing parents' fees, and through funding certain child care services as part of the welfare system. Other than this, the government's role is limited to regulating the private market.

Both philosophical and practical objections to this model have been made. The philosophical objection is that the care of children should not be treated as a profit-making commodity, but as a social or public service, centred around the care and education of children. The practical objection is that quality child care, i.e. delivered by trained staff, cannot be offered on the market at prices that most potential consumers (parents) can afford, without substantial public funding. Since quality child care will be largely publicly funded, it should be operated as a public or near public (non-profit) service. It should, therefore, be treated as a public good (like public education), rather than as a private market service.
Depending on which approach one adopts, the non-profit sector appears differently. The market model approach views non-profit services as part of the private sector of the economy, and argues that government should treat commercial and non-profit services in the same way. The public good model, views the non-profit sector as being closer to the public sector, and argues that it should be clearly distinguished from the commercial sector in government policy. Along these lines, community-based training organizations for women have begun to discuss the desirability of expanding the notion of the public sector in Canada to include constituency-controlled services.

Whether or not child care should be considered a market commodity is fundamental to the design of a child care system. If child care is considered primarily a market service, with government intervention directed at assisting the needy, then the appropriate policy tools would involve tax credits for the poor and/or a continuation of the shared-cost social assistance that exists under the Canada Assistance Plan. In an extreme version of the market model, vouchers would be issued to parents who would use them to purchase services where they wished.

From a market perspective, reforms of the existing system would centre around the definition of need in federal and provincial legislation. A more expansive definition than the current one, requiring a larger government commitment of funds, would clearly be necessary. Some measures would also be required to encourage the private sector to supply child care spaces, perhaps through government-backed loans.

If child care is seen primarily as a "public good" then different government policies would be emphasized. In particular, direct government funding to cover operating costs of services would be the system's foundation. In addition, government budgets would include funding to cover the capital costs of building new child care services. Such funding might take the form of direct grants to community groups or community boards seeking to develop non-profit services, or direct government spending for publicly-operated facilities.

From a systems design viewpoint, the fundamental question raised is this: should government money be subsidizing the purchasing power of individual consumers (parents), or should it be directed at building and operating services? Within a market model, the public sector's role is limited to correcting market failures by subsidizing needy consumer's purchasing power, and providing welfare services to the poor. Because the market cost of child care is so high, the overwhelming majority of families would have to qualify as needy to make child care services accessible. This would mean massive government subsidies to the private sector – often commercially operated – services. Within a public good model, commercial operators could continue to exist but the child care system's features would be designed to promote publicly-operated and/or not-for-profit services.

A conscious choice needs to be made between the market commodity and the public good approaches to provision of child care services. Failure to make a deliberate choice means continuing the existing market approach by default.
Child Care as a Public Good

Providing child care as a public good raises a number of questions about the design of the system. Some are raised here for discussion:

Should child care be publicly-operated or non-profit?

Child care as a public good will mainly be publicly-funded; that is, most of its funding will come directly from governments through the tax system. This does not, however, imply that the services are necessarily publicly-operated. Boards or agencies could operate them on a not-for-profit basis.

The case has been made, primarily in the Ontario child care movement, that a child care system could be built through the education system's expansion "downward". This would have the advantage that education is already an established universally-accessible service.

Critics of this view express concern that the existing education system, and probably any public system, is too bureaucratic and uniform to provide the kind of diversity and creativity they value. They also fear that parents and staff would lose control of the existing non-profit programs.

The education option's opponents also question whether the realty/property tax which funds education, could support child care services. This does not have to be an obstacle. Provincial government ministries commonly receive funding from a variety of sources, including the federal government. Child care services could be administered by provincial ministries of education but still be funded through federal/provincial cost-sharing arrangements.

Publicly-operated child care need not be delivered through the education system; some existing publicly-operated child care services are not. But some are concerned that existing public child care services are too stigmatized by their association with welfare to be the basis for a new system. An often promoted possibility has been separate provincial ministries responsible for matters related to children.

If child care is to be expanded on a non-profit basis, then government funding is needed to support an infrastructure to co-ordinate and service the non-profit sector. Government could itself provide such administrative support, but probably a better arrangement would be for the non-profit organizations to develop and run sector-wide support structures.

The Place of Parents' Fees

Child care services could be publicly-funded without eliminating parents' fees entirely. Many advocates believe that parents' fees will be required for some time, although at a much lower level than currently charged. The usual proposal is for payment on a sliding scale, with fees geared to income.
Fees geared to income do not entirely remove child care from the market framework. However, the notion is that all parents would benefit from a significant subsidy, and that fees would provide a minor source of total cost. The difficulty with any contribution geared to income, of course, is that it would involve a needs or income test of some description.

If fees are to continue, an important issue is how they are to be assessed and collected. In a system where child care is defined as a public good, it would be essential to ensure that the operation of child care services is guaranteed independently of parents' fees. Also, parents should not feel that their income status influences their relationship with staff in any way. Therefore, fee assessment and collection should be removed from the individual child care services, and administered through some separate, government-operated mechanism.

The Private Sector's Role

A policy framework which sees child care as a public good would, over a period of time, eliminate public subsidies to commercially-operated services. This does not mean that privately-run centres would be prohibited. Those programs which were able to succeed on a commercial basis could continue to operate. Like any business, they would operate under government regulation and inspection.

Another role for the private sector is in the creation and promotion of workplace child care services. Some unions have succeeded in negotiating private company contributions toward parent fees, and toward the capital costs of building new child care services. As long as parent fees continue, unions could try to gain this benefit for their members. In addition, governments may wish to take measures to encourage private employers to build on-site child care facilities.

Regulation of Child Care Services

If child care is operated publicly, then government regulation of programs and services is done as part of the system's administration. However, to the extent that child care is operated commercially or through non-profit organizations, government regulation is also necessary. This will take the form of provincial government licensing and inspection of services.

The regulation of home child care poses particular problems. It requires providers to be registered with a government-run or non-profit agency, and to agree to inspection of the premises as a condition of registration. Delivered at scattered home locations, such a service is expensive to properly support and monitor. Without the occupant's agreement, laws protect against government inspectors entering the home, even when the occupant is also using it as a work-place. A combination of a requirement to register, and access to public funding as an incentive to register, would probably be more effective.
The Possibility of Community Boards

In the public education system, provincial governments delegate authority to administer schools to boards. The school boards do this within government-frameworks. A similar arrangement would be possible with child care. Instead of access to the property tax, child care boards would depend on grants. Under existing constitutional arrangements, such grants could come from both federal and provincial governments. The boards' exact responsibilities, and their method of selection, could be spelled out in provincial legislation.

Significant responsibility for planning child care services could be delegated to community boards. In particular, decisions about the types of programs to be offered in a particular geographic area could be decentralized.

Responsibility for the Expansion of Child Care Services

In public education, provinces provide services in response to the number of school age children. Demographics dictate the quantity and location of services. Until child care is considered an expansion of public education, it will continue to depend on public pressure and government action.

Expansion is directly related to funding. Under Canada's current taxation arrangements, the realty/property tax is the only independent source of municipal revenue. Requiring a municipal contribution to child care, as Ontario does, is a brake on the expansion of child care services because the property tax base is already stretched. Ontario should relieve municipalities of this obligation.

Governments can encourage the expansion of child care services by offering direct grants to non-profit organizations or community boards to cover the capital costs of new services. Either the federal or provincial governments can offer capital grants.

The Transition to a Public Good Model

Opting for the public good framework does not necessarily imply the immediate end to child care services offered on a commercial basis. In the case of schools and hospitals, the transition from market-provided to social services took some time. In some areas, commercial operators provide most child care spaces. The change from market to public good model would require measures to ensure maintenance and expansion of services during the transition period.

Child care organizations have proposed transition measures which would continue existing public funding programs to for-profit operations, but would not extend new funding programs to them. Another proposal has been for government incentives to encourage conversion of commercial centres to non-profit services. A successful transition strategy would need a significant commitment of government funds to finance the expansion of child care services as the new system was taking shape.
FEDERAL/PROVINCIAL JURISDICTION

The issue of whether child care should be provided as a public/non profit or market service is one aspect of the question: "Child Care Whose Responsibility" but, in Canada it is necessary to know not only what governments should do, but also what the different levels of government can do under the existing constitution. The purpose of this section is to discuss the constitutional division of powers, and its implications for a child care system.

Provincial Governments' Powers

In 1867, when the Canadian constitution was drafted, the social programs we take for granted today did not exist. The Constitution is, therefore, silent on which level of government should have responsibility for social programs. However, as a result of court interpretations of the Constitution Act, 1867, social programs have been assigned to the provinces as part of their exclusive jurisdiction.

Constitutional discussions have distinguished between three aspects of social programs - services, assistance, and insurance. There are some differences in how each of these has been treated constitutionally.

- Social services are clearly the exclusive jurisdiction of the provinces.
- Social assistance (income support to which a person is entitled by virtue of meeting a means test) is generally considered part of the exclusive jurisdiction of the provinces. However, some have argued that, since social assistance involves the redistribution of wealth, this makes it a co-jurisdiction of the federal and provincial governments. For example, the 1981 Parliamentary Task Force on the Federal-Provincial Relations made this argument. The Task Force maintained that, in 1969, all provincial governments, except Quebec, had accepted this position.
- Social insurance (income support to which a beneficiary is entitled by virtue of paying premiums) was also assigned by the courts to the provinces. In order for the federal government to bring in an unemployment insurance system, the provincial governments had to transfer jurisdiction to the federal government. In 1940, this was done by a formal constitutional amendment. In 1951, another constitutional amendment made pensions a joint jurisdiction, shared by federal and provincial governments. As a result, the federal government was able to bring in a contributory Canada Pension Plan.

Therefore, no constitutional obstacles preclude provincial governments from legislating in any area of social policy, with the exception of unemployment insurance. The provinces have constitutional freedom to fund, administer, deliver and regulate social services and social programs. They are to use the income tax and corporate tax system to raise money with which to directly fund social programs, and also as a means to indirectly subsidize them through tax credits and deductions.
The obstacle to provinces acting in the area of social services is financial, rather than constitutional. As the depression of the 1930s proved, many provincial governments do not have the tax base to deliver a complete, modern system of social services. Citizens of the poorer provinces have had to rely on federal funding, either through national social programs or through equalization payments from the federal government to their provincial governments.

**The Federal Government’s Powers**

Social services are an area of exclusive provincial jurisdiction, and social assistance is, at best, an area of federal/provincial co-jurisdiction. How, then, can the federal government be involved in social programs? This is where the situation becomes even more complicated.

The federal government is involved in social programs through five constitutional avenues:

- the federal spending power;
- the capacity to attach conditions to the money it spends;
- equalization payments;
- taxation; and
- peace, order and good government.

**(a) The Federal Spending Power**

Its spending power is the main basis for the federal government’s involvement in social programs, including:

- the provision of capital grants to support the expansion of hospitals and universities in the first two decades following the second world war;
- the ongoing federal contribution to post-secondary education and the health care system; and
- federal spending on social services and social assistance under the Canada Assistance Plan. This spending covers child care services, residential programs for senior citizens, programs for victims of male violence, community-based services for persons with developmental disabilities, attendant care for persons with disabilities and other programs.

The following is a standard definition of the federal spending power:

...the spending power allows the federal government to make payments to individuals, institutions, or other governments for purposes on which
Parliament does not necessarily have the power to regulate. That is, [the federal government] claims the power to give money away, and attach conditions if it wishes, even if the purposes involved fall clearly within provincial jurisdiction.

The spending power is not specifically mentioned in the Constitution. The federal government claims it is based on some other powers it has, related to taxation and management of the public debt. Court decisions have also confirmed the federal spending power's existence in areas of exclusive provincial jurisdiction. This power is, therefore, solidly grounded in Canadian constitutional law.

(b) Conditions attached to federal spending

Under the existing Constitution, the federal government is allowed to attach conditions to the money it spends, even in areas of provincial jurisdiction. These conditions take different forms. For example, the Canada Health Act established five criteria which provincial health insurance systems must respect in order to qualify for federal funding. These five criteria are:

- universal coverage of the population;
- a comprehensive range of services;
- portability of benefits from province to province;
- public administration of the health insurance plans; and
- access to insured services without financial barriers.

Other legislation, such as the Canada Assistance Plan, lacks such clear criteria expressed as principles, but does include specific requirements governing the definition of need, the particular services to be funded, and other rules the provinces must follow to qualify for funding.

There is, however, an important limitation on federal activity in areas of provincial jurisdiction, such as child care. According to the Supreme Court of Canada, the federal spending power can be exercised so long as it is not in substance legislation on a provincial matter.

According to the courts, federal spending is not in substance legislation as long as it involves an offer of funding which the provinces are free to turn down. Even if there are conditions attached to the money, it is not considered legislating in an area of exclusive
jurisdiction because the provinces can refuse and thereby reject conditions. In practice this means that:

- the federal government cannot compel a province to introduce a particular social program. It can only make available the money to the province to assist with the introduction and operation of a program, should the province decide to proceed with it. The federal government is free to make its offer to the provinces attractive and, therefore, difficult to turn down. But it cannot compel them to accept the money and introduce the desired program.

- the federal government cannot impose any penalty for failure to comply with its conditions, other than withdrawal of funds. As a result, it has a much more limited arsenal of sanctions than the provincial governments have. The provinces can issue licenses as a condition for the operation of a service, and can cancel the licenses, thereby withdrawing permission to operate, if their requirements are not observed. Provinces can also levy fines for violation of the regulations they set.

The federal government can use its spending power to impose conditions in two main ways:

1. Shared-cost programs whereby the federal government makes funding available on the condition that provinces also put up funding for programs which meet certain criteria specified in the federal legislation. The example here is the Canada Assistance Plan.

2. National standards backed up by the sanction of withdrawal of federal funding if the standards are not met. Health care is an example of this use of the federal spending power.

Health care is no longer funded through cost-sharing; the federal government now "block funds" health. This means that the provinces do not have to spend the funds the federal government provides for health (and post-secondary education) for that purpose. However, in the case of health (but not post-secondary education) the federal government requires the provinces to meet national standards, as a condition of full ongoing funding.

The crucial point to understand is that the only sanction the federal government can use to enforce national standards or criteria is its capacity to spend money. National standards which are not linked to federal money are unenforceable.
(c) Equalization Payments

Equalization payments are unconditional transfers of money which the federal government makes to the have-not provinces. Equalization payments are not targeted to social services and provinces are free to use the money as they wish. However, that section of the Constitution which deals with equalization payments makes a link between these payments and services. Section 36(2) of the Constitution Act, 1982 reads:

Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.

The wording committed to the principle of making equalization payments is widely recognized as weak.

(d) Taxation

The focus of the discussion here is on taxation as a way of spending money, rather than of raising it. Governments spend money through the tax system in two main ways:

- tax deductions, which are a way of spending money without collecting it, that is, by leaving it in taxpayers' pockets;
- tax credits, which allow individuals or corporations to deduct a specific amount from the taxes they owe. In the case of a refundable tax credit, a taxpayer who does not owe any taxes is able to collect an amount of money equivalent to the credit (or the difference between the credit and the amount of any taxes owing).

Tax deductions and credits are delivered through the personal and corporate income tax system, or taxes on corporations. Both federal and provincial governments have the constitutional power to levy these taxes and, therefore, to offer tax deductions and credits.

(e) "Peace, Order and Good Government"

The peace, order and good government clause, in the preamble to the list of federal constitutional powers was seen as the residual clause. When the original Constitution was drafted, this clause was seen as covering any new or unforeseen activities which would not readily fall to the provinces, in the province. Subsequent court decisions, however, altered this original intention by giving this clause a narrow interpretation.
However, the courts justified one federal social program under the peace, order and good government clause. This was the family allowance, first introduced in 1945, which transferred money directly from the federal government to individuals. Today, a federal government would defend such a program as falling under its spending power.

A Comment on the Municipalities' Role

Under the Canadian Constitution, municipalities have no existence independent of the provinces. The provinces create them and grant them their areas of responsibility and their taxing capacities. The one area of taxation which provincial governments in Canada have permitted the municipalities is the realty or property tax.

In the nineteenth century, this was a very important source of tax revenue. However, the expansion of government during the twentieth century has made other sources of taxation, such as income tax, necessary. Today, the property tax is capable of supporting only a small part of government activities. Education developed at the elementary and secondary level as a public system in the nineteenth century and still receives a significant amount of its funding through the property tax. However, even here provincial governments provide significant grants.

A Summary of Jurisdiction

This survey of constitutional jurisdiction, in Canada, indicates that a number of policy tools are available, in different ways, to the federal and provincial governments, in the area of social programs such as child care. These tools may be summarized under the headings of spending, regulation and taxation.

- **Spending**

  Both the federal and provincial governments can spend money on social programs by transferring money to individuals, non-governmental institutions or organizations, or to other levels of government. Spending can take the form of conditional or unconditional grants of various kinds.

- **Regulation or standards**

  Both federal and provincial governments have the capacity to set standards, but there are important differences in their constitutional powers in this area.

  A provincial government has a virtually unrestricted capacity to enforce regulations in the area of social programs. It can require social services to obtain licenses as a condition for operation, and cancel licenses if certain conditions are not met. It can enforce conditions or criteria through legislation and, similarly, close down services which do not meet them. It can also threaten to withhold funds from the services and programs if funds.
• The federal government may set standards and conditions of any sort. But it can only enforce them through withdrawal of funds.

• In practice, the distinction here means that provincial governments administer and run social services. The federal government provides funding and may set conditions for funding, but it does not administer and run social services.

• Taxation

Both federal and provincial government can spend through the tax system through deductions or credits.

Within these possibilities and limitations, the two levels of government will choose the policy tools which best achieve their objectives. For example, currently provincial governments don't use tax deductions or credits as part of their child care policy because they can access federal shared-cost programs. Should these end, provinces may decide to use tax deductions or credits.

**The Choice of Policy Tools**

It is important to recognize that the different policy tools available to governments are not neutral in their effects. A few examples will illustrate this:

• Tax deductions, which allow a reduction in taxable income, are worth more to people in the highest tax bracket and are therefore a regressive method of government spending. If the tax system is to be used at all, tax credits are more progressive because they allow reductions from taxes owing and, therefore, have the same absolute value to all taxpayers, regardless of their tax brackets. Tax credits can also be directed more easily to low income earners.

• Using the tax system to collect revenue is more effective still. Tax money can then fund child care services.

• Grants by one government to another will have different effects, depending on the form they take. Federal shared-cost programs encourage the creation of new services. Federal block funding increases provincial revenues, but does not guarantee the development of particular services.

• Federal government spending through equalization payments rather than through national social programs will result in a patchwork of services across Canada with unequal access and variations in quality.
FEDERAL LEADERSHIP AND PROVINCIAL RESPONSIBILITY

Should the federal government be involved?

Child care advocates have argued consistently that the federal government must be involved in child care. Is this really necessary?

The main arguments for federal involvement are:

- the probability of a faster and more even growth of child care across Canada;
- the desirability of national standards, for example, with respect to accessibility and quality; and
- alleviating an imbalance in resources among provinces, due to their different tax bases.

Canadian history shows that federal involvement, through national social programs, has contributed to the rapid spread of social services, and the adoption of programs having similar features in the different provinces. The example of government-financed health services illustrates this point. Public hospital insurance was introduced in Saskatchewan as early as 1947. During the next ten years, some type of hospital insurance was adopted in four other provinces, but major differences existed in the design of their programs. In 1957, after the federal government became involved, it only took four years for all the provinces to adopt the same health insurance plan. After 1968, the experience was repeated, when the federal government took up the plan Saskatchewan had introduced in 1962. By 1971, all the provinces had similar programs.

STRUCTURING A NATIONAL CHILD CARE SYSTEM

The following is an outline of appropriate roles for the federal and provincial governments in a national system of child care.

Federal Government

The federal government should use its spending power:

- to promote the expansion of child care services throughout the country; and
- to ensure that these services meet basic national standards.

National standards could be written into a Canada Child Care Act in the same way that they currently exist within the Canada Health Act. These standards should be based on the criteria outlined in the preamble to this collection of papers.
To ensure the expansion of child care services and respect for national standards, the federal financial contribution should take the form of a shared-cost program. This would make federal funding contingent on the provinces creating particular services.

**Provincial Governments**

As noted earlier, the federal government has no power to compel the provinces to establish a particular service. It can only use its spending power to entice them to do so. Furthermore, no constitutional restriction on provinces prevents them from legislating in the area of social services.

Provinces are free to opt out of a federal shared-cost program, and also free to expand child care, whether or not the federal government takes action. The barrier against unilateral action, particularly for the poorer provinces, is financial. Under existing constitutional arrangements, a province cannot opt out of a shared-cost program and still receive financial compensation.

Within the framework of a Canada Child Care Act, the provincial governments would determine the expansion of child care services. In a shared-cost program, federal funding is triggered by commitment of provincial funds for specific services.

The provinces have responsibility for administering their shared-cost child care systems. They make most decisions about how the regulation and delivery of services are organized. They set specific regulations relating to staff qualifications, staff-child ratios and other quality matters, within the framework of the federal government's national standards. Aspects of administration and delivery could be delegated to bodies modelled on the existing school boards, if that were thought desirable.

**A Comment on National Standards**

What goes into national standards depends on two things:

1. the constitutional restriction on the federal spending power which limits federally-imposed conditions to those which the federal governments may enforce by withholding funds; and

2. the degree of consensus across Canada

The federal government can make money available and attach conditions to the money. However, the provinces would likely challenge very detailed federal regulations, and the courts would likely view them as interference with provincial jurisdiction. To enforce a wide range of quality criteria, of different levels of importance, is also difficult when the only sanction is withholding funds.
The notion of high quality involves general criteria as well as more specific requirements which a province would set out in its legislation. Federal legislation could most effectively encourage quality care through a national standard requiring public or non-profit operation of services. General ways of stating quality (such as reflecting best knowledge of child development) would be difficult to enforce through the federal spending power.

Certain standards could be included in either federal or provincial legislation. Decisions about this would depend on the extent of agreement that existed on these matters at a Canada-wide level. In cases where differences in attitude exist from province to province, the standards could be included in provincial legislation. For example, a requirement for democratic participation by parents could be included in federal legislation, or in provincial legislation (as it is now in Quebec).

Provinces and Nations

It is important to recognize that the responsibilities of different levels of government for social services are viewed differently in Quebec than in English speaking Canada. Quebec governments, with strong public support, have consistently maintained that social services are an exclusive provincial jurisdiction and have challenged the legitimacy of the federal spending power. Control of social services by the provincial government is seen as vital to the protection and development of Quebec culture. Similarly, aboriginal peoples see control of social services by political institutions they control as an integral part of self-government. By contrast, Canadians in English speaking Canada have tended to support a strong role for the federal government in social services.

The National Action Committee on the Status of Women and some other organizations have taken the position that these different perspectives reflect national differences. They argue that Canada’s Constitution and the design of social programs should reflect the existence in Canada of three national communities; aboriginal peoples, Quebec and English speaking Canada. The failure to acknowledge the multinational character of Canada is seen as the source of much of the complexity of the current federal-provincial arrangements concerning social programs.

Recognition of the needs of the national communities which comprise Canada, could make possible a simplification of the roles of government and put an end to wrangling by political elites over the division of powers. The final result might be greater accountability by all governments.

Barbara Cameron teaches public policy at Atkinson College, York University, where she is an Assistant Professor of Political Science. She received her PhD in political science from the University of Toronto in 1986. She has worked in a research capacity with the International Ladies Garment Workers Union and the Union Electrical Radio and Machine Workers of Canada. She is a past member of the executive of the Ontario Coalition for Better Child Care, was chair of the Child Care Committee of the National Action Committee on the Status of Women during 1987 and was the co-chair of the NAC Constitution Committee.
REFERENCES

1. In discussing the cost to the public of child care, it is important to remember that society is gaining a huge increase in tax revenue from the income earned by women entering the labour market. Looked at in terms of the economy as a whole, child care can be seen as essential to economic development. At this point, governments are trying to have things both ways by not assuming the cost of child care while reaping the benefits of women’s increased participation in the workforce. The victims of this approach are the families struggling due to the lack of social support, the children who do not have access to quality services and the women who cannot participate fully and equally in the workforce and in social life generally because of their continuing unequal responsibility for caring for children.

2. These comments are based on a conversation with Marcy Cohen, Women’s Representative on the Canadian Labour Force Development Board, on September 27, 1992.


4. Pensions are a joint (or concurrent) jurisdiction, with provincial paramountcy. This means that in cases of conflict, provincial legislation prevails.


9. The only restriction on the provincial capacity to regulate in areas of social programs would come from the Charter of Rights and Freedoms. Provided that provincial legislation did not violate the Charter, it would be acceptable. Even here, the province could have recourse to the not withstanding clause in section 33 of the Charter which allows it to override equality rights and legal rights provisions of the Charter.

Child Care Funding
Mab Oloman

35 Introduction

35 Current Provincial and Territorial Child Care Funding Programs
Child care subsidies for eligible low-income families
Grants or financial assistance for the development and operation of child care services
Summary of provincial and territorial funding programs

38 Current Federal Child Care Programs and Policies
INAC contributions to child care on reserves
Maternal and parental leave policy
Child care expense deduction
Canada Assistance Plan
Summary of federal child care funding measures

45 Recommendations for Change
Task force on Child Care Report, 1986
Special Committee on Child Care Report, 1987
"Common" ground
The National Strategy and Bill C-144
National Council of Welfare- a funding alternative
Setting the Stage: Child Care Reform in Ontario

49 Why Doesn't Canada Have a Publicly Funded Child Care System?
The international perspective
European parental leave policies
Tax breaks in Europe
Publicly funded child care services in Europe
Employer supported and private centre based care in Europe
The Australian Perspective

52 Summary
In the absence of a comprehensive and equitable federal child care policy, over the past 30 years, provincial and territorial governments have developed a range of public funding mechanisms. Some of these mechanisms assist parents with their child care costs. Others expand and stabilize the delivery of services. All have been developed because, as with other human services that are labour intensive, and where quality relies on well trained staff, free market demand and supply theories do not apply to child care.

Like the other human services areas of health, education and social programs, child care is under provincial and territorial jurisdiction. Each province and territory has developed legislation which includes child care regulation and funding arrangements.

CURRENT PROVINCIAL AND TERRITORIAL CHILD CARE FUNDING PROGRAMS

Child Care Subsidies for Eligible Low-Income Families

All provinces and territories provide child care subsidies for eligible low income families, but the eligibility criteria and the subsidy value varies considerably across the country. In 1990, the income cut off for eligibility, for a two parent family with two children, was as low as $13,000 (net income) a year in some areas of Canada; in other areas those earning $46,000 (net) were eligible.

At the same time, the maximum subsidy paid to the child care program varies. In 1990, it ranged from a low of $11.20/child/day to a high of $47.52/child/day (British Columbia Task Force on Child Care, 1991). This variation is one of the factors that has a dramatic affect on child care provider’s wages and working conditions, and consequently, on the quality and stability of care.

Many other differences exist across Canada in the administration of subsidies. Some provinces require parents to pay a minimum user fee for child care, regardless of their income levels. Others expect parents to pay the often hefty difference between the subsidy rate, and the real cost of care. Still others place a ceiling on the fees that providers may charge for subsidized spaces.

Some provinces contract with licensed facilities for a specific number of subsidized spaces. Others allow parents to purchase care from any kind of provider (centre based commercial or non-profit, family day care home or in-own-home, licensed or unlicensed). Some jurisdictions restrict the number of available subsidized spaces, the result being more eligible families than available subsidized spaces.
In Ontario, provincial legislation mandates the distribution of most child care subsidies through the municipalities. This has resulted in wide variations throughout the province.

Clearly, the subsidy system, although driven by a federal program (addressed later in this paper), does not guarantee eligible low-income Canadian families equity of access or affordability. Regardless of which way the child care subsidy system is delivered, it has the potential to, and frequently does, negatively affect both parental choice, and the services provided. It does this in a way that limits the availability of regulated child care to one sector of the population over another. It may inadvertently place a ceiling on staff wages and benefits, already far below the national average wage level. Last but not least, it has the potential to segregate children based on their parents' income levels.

**Grants or Financial Assistance for Development and Operation of Child Care Services**

**Operating Support**

All provinces and territories now provide direct recurring operating funds, in one form or another, to licensed group child care facilities. Most also provide support either directly, or indirectly through agencies, to licensed or approved family day care homes.

All these funding mechanisms were developed in response to crisis, to the conspicuous need for accessible, affordable, high quality care for the great majority of Canadian children whose parents are in the paid labour force. They were developed to stabilize fragile, essential services, which relied entirely on user fees and fundraising.

Like child care subsidies, recurring operating funds come in many forms, diverse in value, frequency and purpose. Alberta introduced operating grants ...to encourage operators to meet new regulations for staff: child ratio and floor space requirements. In Quebec, the stated purpose of direct subsidies to programs is to ensure their financial viability. Ontario and Manitoba introduced grants to improve salaries and benefits for child care staff. Prince Edward Island's direct funding program is to"...enhance and maintain ...quality..." It focuses on salaries, training and program resources (British Columbia Task Force on Child Care, 1991). Stimulating the supply of spaces for children under the age of three is the purpose of British Columbia's recently introduced, first operating grant, instituted to "...stabilize and increase the number of safe, affordable licensed child care spaces for infants and toddlers ".

The value of operating funds, like the value of fee subsidies, ranges widely from a low of $0.20/day/full-time space in some parts of Canada, to more than $10/day/child in others. Some jurisdictions provide the same per diem for all children under six years of age, while others relate the per diem value to the actual cost of care. In other words, the per diem is highest for infants and lowest for school age children.
Some provinces restrict funding to spaces which subsidized children occupy. Some exclude school age care from their support programs, while others exclude family day care. Some include nursery schools, others exclude them. The criteria for each province's or territory's operating funding also differs. For example, in some regions of Canada operating grants are available only to the non-profit sector. It is fair to say that the introduction of recurring operating funding has helped to stabilize the delivery of services, but fiscal fragility continues.

Most regions of Canada recognize that the levels of operating funds provided are not enough to prevent services from deteriorating and/or closing. Nor do they address the issue of inadequate wages and benefits. As a result, some jurisdictions have developed other forms of support, in addition to basic operating funding.

A number of jurisdictions offer grants for equipment, maintenance and repairs. Some recur annually. Some must be applied for when evidence of need can be shown. Some provinces offer renovation and/or relocation grants. One province offers a housing grant which supplies each centre with an annual grant of $9,000 for heat, power, rent or mortgage. Another province offers an annual audit grant. Special incentives are made available for infant care, worker training and of course, the care of children with special needs.

To summarize, because of ongoing political reluctance to provide adequate public funding for delivery of high quality services for children, an atmosphere of crisis management directs public policy with respect to child care. The patchwork quilt of strategies that has been created is inadequate, and is becoming cumbersome and expensive to administer.

**Capital Funding**

A minority of provinces and territories offer public funding to create new child care spaces. Here again, programs differ substantially. Until recently Ontario, Quebec and the Yukon have been the only jurisdictions to offer substantial capital funding. The Ontario government provides 80 percent of the capital costs for new non-profit child care facilities; the community is to raise the remaining 20 percent. Quebec restricts its capital funding to non-profit centres operated by boards of directors, of whom at least 51 percent are parents. School boards and municipalities are also eligible for provincial grants. These entities are eligible for 50 percent of start-up costs to a maximum of $139,060 for premises they own, or $82,865, for rented premises. Parent-dominated boards are also eligible for project management grants.

The Yukon provides up to $50,000 for non-profit full-time programs. (Child Care Information Sheets, Childcare Resource and Research Unit, 1992.) British Columbia previously allowed non-profit societies to apply for up to one third of a projects capital costs,
from its Lotteries Fund. Recently, it has implemented a new program which will provide one half of a project's cost, up to a maximum of $500,000 for eligible applicants. Saskatchewan plans to provide an incentive grant for employers who initiate work-place child care centres; these grants will provide 50 percent of the capital costs, up to a maximum $10,000.

Supply has failed to respond to demand, even in provinces and territories where capital assistance programs have been developed. According to the Status of Day Care in Canada, 1991 published by Health and Welfare Canada, 1991 saw the lowest rate of growth in the number of child care spaces since 1978. As that report noted, the economic recession was likely a factor, but the trend is alarming. No matter which way Health and Welfare Canada analyzed the degree of un-met need, a conservative estimate suggested that, with regard to children who need care by someone other than their parents, those able to access licensed or formalized care represented fewer than:

- 20 percent of children under the age of three;
- 50 percent of those between the ages of three to six years; and
- 8 percent of those aged six to thirteen.

Health and Welfare Canada also noted that existing evidence of parental preference seems to suggest that about 50 percent of those not using formalized care would do so if provided the opportunity.

Summary of Provincial and Territorial Funding Programs

The evolution of all of these forms of funding, particularly those mechanisms introduced for ongoing operating purposes, should be enough evidence that the current system for funding child care is woefully inadequate, unstable and in a state of emergency. It depends on a hunt and peck mix of mechanisms: parent fees; provincial or territorial programs; local government contributions (often from goodwill rather than legislated); support from social agencies; and individual fundraising activities. Our children and those whose work is to care for them deserve better. For over 20 years government task forces and others have been recommending alternatives, but as yet no viable alternatives have been provided.

CURRENT FEDERAL CHILD CARE FUNDING PROGRAMS AND POLICIES

Canada has no national legislation or policy which has been exclusively developed for child care. The federal government has been known to argue that since child care is constitutionally the provinces' and territories' responsibility, there should be no national legislation or policy. However, there has been no constitutional barrier to the development of a national policy.
Post-secondary education, social welfare programs and health have established the precedents. They too fall under provincial or territorial jurisdiction, but are funded, in part, by the federal government. Legislation which governs federal spending power has been able to establish criteria which ensure that all Canadians, regardless of where they live within the country, have equitable access to services provided through the public purse. Probably the best example of this is the Medical Care Act (1968). Through it, federal and provincial/territorial authorities accept a shared financial responsibility for health care programs, while maintaining provincial/territorial jurisdiction over those programs.

The federal government’s participation in child care is limited. The government itself described its participation as being limited to five federal measures that support the child care needs of Canadian families (Health and Welfare Canada. 1992). The expenditures for these measures, which totalled over $1 billion, in 1992, were;

- **Child Tax Credit Supplement**
  - $340 million
  - For low-income families who have children under seven years of age.

- **Child Care Expense Deduction**
  - $300 million
  - For the receipted child care expenses of working parents.

- **Canada Assistance Plan**
  - $275 million
  - Canada’s major piece of welfare legislation through which the federal government shares the provinces and territories day care expenditures for low-income families.

- **Employment and Immigration Canada**
  - $75 million
  - Through which dependent care allowances are provided for trainees in programs this department sponsors.

- **Child Care Initiatives Fund (CCIF)**
  - $15 million
  - Provides funding for demonstration projects, research, innovations in child care and public awareness.

Before examining the Child Care Expense Deduction, and the Canada Assistance Plan, the two most significant federal measures related to child care, several observations must be made about those measures the government has described as supporting Canadian families’ child care needs.
The first observation is that the Child Tax Credit (CTC) Supplement should not be included in a list of federal measures to support families child care needs; to do so is extremely misleading. The second observation is that the CTC supplement accounts for more than one third of the government's total expenditure on the five measures.

The CTC is a supplement to the Refundable Child Tax Credit, which is available to low income families for each dependent child under the age of 18 years. The CTC is available only to those families who cannot claim the Child Care Expense Deduction. It will provide eligible low income families with $213 per child, for each child under seven years of age, in the 1992 taxation year. This sum bears no relevance to the real cost to a family, if one parent stays out of the paid work force to care for the children. Nor does it provide relevant relief to the many parents in the paid labour force who spend thousands of dollars yearly, on unreceipted child care, and who are unable to claim the Child Care Expense Deduction or get provincial subsidies.

Advocates for both the poor, and for stay-at-home parents, have scorned the CTC supplement, as a measure to assist low income families. It has virtually no impact on the individual family's ability to choose the type of child care arrangement that best suits it. It has absolutely no impact on the availability, affordability or quality of child care in this country. It is an ineffective social welfare strategy and, is out of place in a list of child care funding measures.

The final observation is that, while it includes this irrelevant item in its list of measures to support families child care needs, the federal government has neglected to include two relevant policies - policy on contributions to child care costs for Aboriginal children, and Maternal and Parental leave policy.

**INAC Contributions to Child Care on Reserves**

Indian and Northern Affairs Canada (INAC) makes contributions to child care on reserves, through special arrangements with individual provinces. Most of this funding is directed through the federal government's 1965 Indian Welfare Agreement with Ontario, which offers substantial support for the more than 42 licensed child care centres on reserves in that province. Outside this arrangement, federal funds are directed through various agreements to support fewer than 30 centres in the rest of Canada.

Aboriginal children make up only 4.8 percent of the total population of Canadian children. Yet, within the Aboriginal community itself, children under the age of fifteen account for 36 percent of the population (Health and Welfare Canada, 1992). Child care can be seen as an integral part of the healing and rebuilding necessary to restore traditional cultural values (Cooper, 1991).
Federal financial support for Aboriginal child care is currently fragmented and regionally inequitable. However, the right and responsibility to develop a quality system of child care for their children rests with the First Nations. In the current momentum toward Aboriginal self-government, the negotiating parties should ensure that sufficient resources are available for development of culturally appropriate quality child care for First Nations children.

**Maternal and Parental Leave Policy**

Parental leave policies, which allow parents to combine work and family responsibilities, are an essential supplement to child care services. In 1971, the federal government recognized this, when it allowed unemployment insurance to provide 15 weeks of maternity benefits to women, at 60 percent of their earnings; in 1991, the maximum weekly benefit was $408.

More recent amendments have entitled either parent to receive parental leave benefits, at the same rate, for an additional 10 weeks. Adoptive parents are entitled only to the 10 week parental leave benefit. Leave provisions are under provincial jurisdiction, and at least four provinces have modified their leave policies to allow parents to take advantage of the federal benefits.

Any improvement in this policy area is of significant importance to child care. If adequate payment were provided for parents to stay at home to care for very young children, it would reduce the demand for infant care, the most expensive form of child care to provide. It would also support the family by responding to the preference of many parents to care for their infants themselves, through the first year of life. For economic or employment reasons, this preference is not an option for many families.

**Child Care Expense Deduction**

The federal government assists some families with child care costs through the Child Care Expense Deduction. This measure usually permits a family's lower-income earner to claim a deduction, for income tax purposes, for receipted child care expenses; such expenses must have been incurred for a child up to fourteen years of age, older if a child is dependent due to mental or physical infirmity or impairment (Department of Finance, 1990).

In 1992, taxpayers who had receipts for their expenditures could claim a maximum deduction of $4,000 for each child under seven years of age, and $2,000 for each child aged seven to fourteen. Total deductions may not exceed two-thirds of the claimants earned income, and the expenses must have been incurred because the claimants were employed or attending occupational training.
In 1993, these maximum deductions rose to $5,000 and $3,000, respectively. The rationale for this across the board increase is unclear. In Brighter Futures Health and Welfare Canada notes that parents with low to middle incomes often have difficulty finding quality child care that they can afford and that the annual cost of full-time day care at licensed centres in urban areas can exceed $6,000 for toddlers and $10,000 for infants per year. School age child care is the least expensive because it is part time care. In British Columbia, for example, the median annual cost for school age care is $1,992, according to the provincial survey of licensed facilities. If the federal government believes in this mechanism of tax relief, as a child care support to families, why then has it declined to adjust it incrementally, to relate it to the real cost of care by age group?

This criticism of the Child Care Tax Deduction is far from the only one. The measure provides a number of examples of inequitable treatment of Canadian families. Many families can't use the child care expense deduction to decrease their child care costs. It discriminates against the many families who, because of the inadequate supply of care in the formal market, are unable to get receipts from their providers.

The value of the child care expense deduction rises with income and has no monetary value for those with no taxable income. Based on 1992 tax tables, in 1993 the $1,000 increase to the deduction has been estimated to have a monetary value of $209 for a claimant with a taxable income of $20,000 and $403 for a parent with a taxable income of $50,000 (Social Planning and Research Council of B.C. 1992).

The value of the child care expense deduction to the claimant varies from province to province for claimants having the same taxable income. Tax rates vary from one province or territory to another resulting in regional differences in the effective marginal rates of tax, and consequently, regional differences in the value (expressed in terms of taxes saved by the claimant) of the child care expense deduction (Blain. 1985)

The Child Care Expense Deduction targets a subsidy to higher income families. Is this an acceptable use of public funds for child care? It is not tied to quality care for children. Neither does it stabilize or expand services.

Because of the structure of the income tax system, provincial and territorial governments (except Quebec) contribute automatically to a tax deductions cost. With the exception of Quebec, provincial and territorial taxes are expressed as a proportion of federal taxes. Therefore, a deduction automatically reduces provincial and territorial tax revenues, as well as federal revenues. Both levels of government should reconsider their use of public funds through the Child Care Expense Deduction.
Canada Assistance Plan (CAP)

The Canada Assistance Plan (CAP) is the main source of federal child care funding. In 1966, it was introduced as the mechanism through which the federal government could help to alleviate or prevent poverty, by sharing with provincial and territorial governments the cost of providing social assistance, and a range of social services, to persons in need or likely to become in need. Child care is one of the identified social services.

Through CAP the federal government may reimburse provinces and territories for 50 percent of eligible child care expenditures. These are primarily subsidies to low-income families. Operating grants for regulated non-profit or government-operated programs are also cost-shareable. But, they are limited to expenditures targeted to families who fall within the federal likelihood of need income criteria. Capital costs are not cost-shareable.

Federal, provincial and territorial governments all set their own criteria to determine who is eligible for subsidy. All the provinces have set the upper limits of eligibility at income levels lower, some considerably lower, than those allowable under the federal likelihood of need guidelines. In other words, over the years it has been the provincial and territorial governments, not the federal government, who have severely limited the cost-shared spending for child care.

A 1987 study determined that 72 percent of Canadian children under six years of age, whose parents were in the labour force, would have been eligible for a full or partial subsidy, had the provinces used the federal income eligibility criteria. Only 7 percent of these children actually received subsidized child care (Cleveland, 1987).

Until 1990, there was no federal maximum spending limit for eligible provincial expenditures. However, that changed when the 1990 federal Budget limited CAP payments to Ontario, Alberta and British Columbia, to a maximum 5 percent increase annually, for a two year period. The 1991 federal Budget extended the limit on the rate of growth of CAP transfer payments to the end of the 1994-1995 fiscal year.

Manitoba, the Native Council of Canada and the United Native Nations of British Columbia - all joined the three provinces in a court challenge to the limitation. They won the challenge in the provincial courts, but lost when the federal government appealed the decision to the Supreme Court of Canada. The Supreme Court ruled that, based on the principle of supremacy of Parliament, the federal government could limit its contributions if it so chose, regardless of the federal/provincial agreements.

Not only does the cap on CAP represent a fundamental shift in the historic federal responsibility for low income Canadians (National Council of Welfare, 1988) but it also provides the potential to constrain provincial child care initiatives (British Columbia Task Force on Child Care, 1991). This can also, in part, explain why 1991 saw the lowest rate of growth in provision of child care spaces since 1978.
Many do not consider the Canada Assistance Program to be an appropriate funding vehicle for child care in Canada, for several key reasons (Townson, 1985):

- It is a welfare program and an inappropriate means of funding a service that children from all economic levels of society need.
- The needs and income tests stigmatize child care and the families who use the subsidies.
- It does nothing to enhance the supply of services.

Some also feel that it has created artificial and arbitrary distinctions between the commercial and non-profit sectors. The legislation justifies this distinction, based on accountability for public funding.

The cap on CAP has put those who were its strongest critics into the position of defending it. They believe that, to restrict and weaken this open-ended federal funding measure, without replacing it with an improved funding arrangement, not only penalizes low and moderate income working parents and their children, but also jeopardizes Canada's already fragile system of child care services.

**Summary of Federal Child Care Funding Measures**

"...the net effect of the federal government's child care policies [has been] enhancement of spending for higher income families [the tax measures] and restraints on spending for low and modest income families [the cap on CAP] (Friendly, 1990)."

Outside of child care policy, the federal government, before it abolished the universal family allowance, de-indexed it and other child-benefit tax exemptions. It decreased federal transfer payments, an act which was particularly devastating to delivery of services in the Atlantic Provinces. It announced a new, integrated Child Tax Benefit which consolidates the Family Allowance, the non-refundable child credit and the refundable child tax credit.

The federal government also proposed a new earned income supplement. Under this proposal, families with earned annual income between $10,000 and $20,921 would be eligible for the maximum supplement of $500 per year. While support for the working poor should be applauded the rationale upon which it is based raises questions. *The White Paper* outlining the new benefits explains:

"In choosing to work, low income families with children are faced with employment related expenses and a possible reduction in social assistance costs. (p.4)"
For many low-income families child care is the major employment expense or barrier to entering and staying in the labour force. Will the $41.67 per month offered through this supplement address the high cost of child care or will it just jeopardize provincial income assistance for which families may be eligible?

Upon review of the federal measures related to families with young children, a confusing picture develops. Supportive measures are being undermined and hobbled through policy that appears to contradict itself. Programs are targeted to opposite ends of the income spectrum in a manner that neglects those in the middle. The federal government is not using its potential to harmonize the effects of regional differences. Has the current federal government reneged on its responsibilities?

RECOMMENDATIONS FOR CHANGE

The dissatisfaction with existing child care funding policy is not new. The current child care crisis was first identified 22 years ago by the Royal Commission on the Status of Women. In its 1970 report, this commission called for government recognition and expansion of high quality supplementary care.

Since 1970, more than ten other reports by federal government commissions and task forces have addressed, in part, the need to resolve the child care crisis. Provincial studies have reached similar conclusions. So also have a myriad of studies by non-government agencies.

Demand for federal leadership to resolve the child care dilemma was clearly stated ... 

- in 1979, by the Commission for the International Year of the Child, which advocated for, among other things, a National Day Care Act and the negotiation of new cost-sharing agreements with the provinces;

- in 1982, by the Canadian Advisory Council on the Status of Women, which:

  - called for a comprehensive, affordable, accessible daycare system which bore public accountability for the quality of care;

  - suggested moving child care away from the welfare approach toward the education approach; and

  - asked for a National Act which would include new mechanisms and criteria for federal/provincial cost-sharing.
in 1983, by two Parliamentary Committees, the Special Committee on Visible Minorities and the Special Committee on Indian Self Government which touched on child care within the particular perspective of these two groups;

- in 1984, by the Royal Commission on Equality in Employment which again recommended a National Act, in this case to be brought forward through consultation with the provinces, which would guarantee consistent standards, subsidize a range of services, ensure adequate pay for child care workers and so on;

- in 1985, by the Standing Committee on Justice and Legal Affairs' report on Equality Rights, which urged the federal government to move quickly to address Canadians child care needs, and the extension of maternal-paternal benefits.

All these studies identified a role for federal leadership on child care. Most recommended that new child-care-specific federal/provincial cost sharing mechanisms be legislated, as well as improved parental leave policies. But, all these recommendations were not enough. The federal government, instead of acting, would call for more study.

**Report of the Task Force on Child Care, 1986**

In March 1986, Dr. Katie Cooke submitted the report of the Task Force on Child Care to the Minister Responsible for the Status of Women. In 1984, the Liberal government had charged the Task Force to examine and assess the need for child care services, paid parental leave, as well as the adequacy of the current system in meeting these needs. It was asked to make recommendations concerning the federal government’s role in development of quality child care, with particular reference to financial measures.

*The Katie Cooke Report*, as it is fondly referred to, was based on twenty-five research projects, four major surveys and the input of thousands of Canadians. It strongly recommended federal leadership to develop a comprehensive system of publicly funded, high quality, universally accessible, non-profit child care and to expand paid parental leave.

**Report of the Special Committee on Child Care, 1987**

In March 1987, the Final Report of the Special Committee on Child Care was tabled in the House of Commons. The Committees mandate, which the Conservative government had established in November 1985, was to examine and report on the child care needs of the Canadian family and to report on three related subjects...
• the needs of children being cared for inside or outside the family;

• how best to define a role for the federal government, given the roles of others, parents, voluntary sector, private sector, other levels of government; and

• what steps the federal government could take to fulfil this role.

The tone of the Special Committees thirty-nine recommendations was very different from that of the Task Force on Child Care. The government majority based its recommendations on principles of sharing and encouragement rather than on federal leadership.

“Common” Ground

In summary, although these two reports differ significantly on the how to, with respect to funding mechanisms, they both supported, in their own way, the following federal child care measures:

• capital grants to stimulate expansion of licensed services;

• operating grants to provide stability to licensed services;

• the Child Care Expense Deductions replacement - in one case immediately, with a Child Care Expense Credit; in the other in case, once a fully publicly funded network of services had developed;

• subsidies for low-income families - enhanced through the Canada Assistance Plan or by subsuming CAPS provisions under new cost-shared financing legislation;

• improved parental leave and associated benefits; and

• tax incentives for work-related child care arrangements.

The National Strategy and Bill C-144

In December, 1987, the federal government responded to the two reports by announcing a national strategy on child care. Contrary to the advice of both reports, this strategy included substantially enhanced child care tax measures. It also included a commitment to develop Canada's first national child care act.
In July, 1988, the federal government introduced in parliament Bill C-144, the Canada Child Care Act. Bill C-144 proposed that the federal government replace the, then, open-ended Canada Assistance Plans provisions, with a time limited funding scheme which the provinces would use to spend $3 billion over seven years (House of Commons Canada, 1988).

Public response was predominantly negative. All submissions to the legislative committee hearings were critical. In addition to denouncing the tax measures, and the new funding opportunities which would be offered to the commercial child care sector, critics expressed concern that the proposal lacked a framework for national objectives. Where was the public accountability for the federal expenditures? How would Bill C-144 encourage development of high quality child care? These became moot points. The bill died in the Senate when a federal election was called for November 21, 1988.

**National Council of Welfare - A Funding Alternative**

In December 1988, the National Council of Welfare released a report entitled *Child Care: A Better Alternative*. The Council, dissatisfied with the government's national strategy inequities, proposed an alternative approach. Instead of perpetuating the old system of a mix of subsidies and tax relief for parents, their proposal would put all the available resources into child care services, and none to tax relief. Services would be financed through a combination of government revenues and parental fees.

As noted earlier, the existing subsidy system varies considerably from province to province. The National Council of Welfare child care system would provide equal benefits in all provinces and territories. It would be based solely on ability to pay through a sliding scale of fees:

- those living below the poverty line would receive a 100 percent subsidy;
- those with average incomes would pay fees equal to 30 percent of the cost of care; and,
- those with incomes twice the average, would pay fees equal to 50 percent of the cost of care.

In calculating the proposal's cost, the Council set the following parameters:

- an average annual centre-based staff salary of $22,500 [or 19 percent more than the average annual wage of $18,870 in 1991 (Schom-Moffatt, P. 1992)];
- for centre care, child-staff ratios of 3:1 for children up to age 2, 6:1 for children 2 to 5 year old, and 10:1 for children 6 to 13 years old;
- for family day care homes a ratio of 4:1.
The estimate included capital costs. It determined that, by 1995, when the system would be fully developed, it would serve 51 percent of those children, under 13 years of age, whose parents worked or studied full-time. The estimated net cost to all levels of government was $4.4 billion annually, by 1995.

The National Council of Welfare should be applauded for its initiative. It has offered a tangible and practical alternative to the status quo. Laudably, issues which affect children - those of equity of access, affordability and quality - drove the proposal. The Ministry of National Health and Welfare, in collaboration with the provinces and territories, should be equally proactive in exploring and developing child care funding options for consideration. Alas, however, the political will to direct them to do so is absent.

**Setting the Stage: Child Care Reform in Ontario**

In February 1992, the Ontario government released *Setting the Stage: Child Care Reform in Ontario*, a public consultation paper containing proposals for an extensive overhaul of the funding and delivery of child care programs in the province. Many of its recommendations were modelled on a policy paper which the Ontario Coalition for Better Child Care developed. Reform would involve the province flipping the funding it currently puts into child care through operating grants, wage grants and fee subsidies, into base funding covering the full cost of child care programs. A separate administration system would collect parental fees set through an income test. If enacted, the proposals in *Setting the Stage*, would indeed set the stage for universal child care in Ontario.

**WHY DOESN'T CANADA HAVE A PUBLICLY FUNDED CHILD CARE SYSTEM?**

A comprehensive Canadian child care system is a key component of responsive public policy, an integral element of social and economic policy. Such a system is essential to ensure that we have the human resources required to sustain a productive, healthy society and a healthy economy. Children who have high quality care, whether from their parents or others, will grow to become more confident, more productive and happier adults than children for whom unstable, and seldom monitored child care remains the norm.

The reassurance of good quality care enables parents to balance work and family responsibilities. It ensures that the family unit can be self sustaining. Without it women can not achieve economic equality. Investment in high quality child care is an investment in a public good which will pay society back over the longer term.

Why then does a nation that prides itself on being a caring society not have a national policy for child care? Why does it not have a coordinated, publicly funded, network of high quality child care services, developed through a researched, community-based planning process, providing equity of access for all children who need non-familial care, irrespective of ability/disability, of where they live, their parents' incomes or their cultural diversity?
What is our government afraid of? Public funding for child care is not without precedent, nor are comprehensive paid parental leave policies. The international perspective on child care should reassure the hesitant.

**The International Perspective**

In 1988, in European Community member countries, 44 percent of women with children under the age of 10 were employed outside the home slightly less than the Canadian rate for the same year.

**European Parental Leave Policies**

In all European Community countries, except the United Kingdom, maternity leave is a universal right for employed women. Payments of between 70 percent to 100 percent of earnings cover the full period of leave.

Parental leave is offered in 7 of the 12 countries. Periods of leave vary, from 10 weeks in Denmark, to nearly 3 years in France. Some payment is made to all parents on leave in Denmark, Italy and Germany and to some parents in France. However, except in Denmark, this payment is low in relation to normal earnings.

One half of the member countries provide some leave to care for sick children. However, of the six countries that provide such leave, only Germany, Denmark and Portugal pay for it (Moss, 1991).

**Tax Breaks in Europe**

Four countries – Luxembourg, Belgium, France and Portugal – provide some tax relief for child care costs. In each case however, the country also has a policy of increasing publicly funded services.

The Netherlands ended its tax relief system. Along with other governments, it acknowledged that tax relief benefits higher income families most, and that the country is best served by switching such subsidies to funding an increase in non-targeted public services (Moss, 1991).

**Publicly Funded Child Care Service in Europe**

With respect to pre-school children, between three years of age and compulsory school age, publicly funded child care is available for more than 80 percent of such children in Denmark, France, Italy and Belgium; and, for between 60 - 80 percent of such children in Spain, Greece and Germany. In those countries that lag behind - the U.K, Ireland, Portugal, Luxembourg and the Netherlands - care is available to 35 - 60 percent of such children.
However, all Economic Community countries seem to have a substantial un-met need for publicly funded services for children under the age of three, and for care outside school hours. Only Denmark, Belgium and France provide publicly funded care for more than 20 percent of their children under the age of three years (Moss, 1991).

So far, reference to publicly funded services has exclusively meant group programs. Family Day Care plays an important role in many European countries but the providers status varies considerably, and is too complex for a brief analysis. In Sweden, Finland, Denmark, France and Belgium, for example, providers have employee status with either municipalities or non-profit organizations. They are all licensed and may be either part of an organization, or operate independently. In many other countries they are classified as part of the private sector. After relatives, they provide most of the care available for children under the age of three.

**Employer Supported and Private Centre Based Care in Europe**

In all European countries, commercial centres and those operated by employers provide less than 2 percent of the spaces for children under three years of age.

In Europe, the development of family support services for children has come about because governments have assumed a major role, and accepted their share of the responsibility. They have viewed child care as an equality issue, and as a labour issue. They have viewed child care proactively, as an enabler, rather than reactively, as a social welfare supplement. There is major social interest in supporting parents in their vital role of rearing the next generation, whether they are employed or not, and regardless of their income status.

This attitude is not restricted to Western Europe. We can find other examples.

**The Australian Perspective**

Australia is a country with which Canada often feels a kinship. It has a population slightly smaller than ours, and a very similar constitutional structure. Approximately 50 percent of Australian parents whose children are in non-familial care, because their parents are in the work force, are eligible for what is called fee relief. Families of four with incomes of up to $40,000 - $50,000 thousand per annum are eligible.

The Australian national or commonwealth government views child care as an economic necessity. It carries out an annual census to identify, by state and nation-wide, the number of spaces provided in each type of service, and the types of children accessing those services. They do this in the interest of public accountability for the public expense, and to monitor equity of access.
Australia is also working towards national standards which the government hopes to have in place by 1993. The national governments intention is not to impose such standards on the states whose standards, like those of our provinces, vary considerably, and who, like our provinces, are jealous of their autonomy and powers. Instead, the intention is to facilitate collaboration among the states, to reach a non-threatening consensus on standards.

The commonwealth government has also committed itself to implementing a national accreditation system by 1993 with the goal of eventually providing public funds only to accredited high quality services. In 1992 the commonwealth government also launched a program to stimulate employers participation in the expansion of services.

**SUMMARY**

These other countries have not resolved the child care crisis. They still have many problems. In Australia for example the child: staff ratio is poor in many states, as are staff training requirements. However, in many countries, struggling with their own national debt, political, constitutional and other problems, children and their care have a much higher priority than they do in Canada. Again, one asks, why?

The federal government has offered two major reasons for inaction. The first of these excuses is the deficit. The government has argued that a publicly funded child care system would just be too costly to implement at this time.

What would it cost? It depends on how the system is configured; as noted earlier, the most recent public estimate is the National Council of Welfares estimated net cost to all levels of government of $4.4 billion annually, by 1995. This estimate was based on a proposal for a publicly funded system with some user fees, that would provide care for 51 percent of the children under thirteen years of age, whose parents worked outside their homes. It also would have included a growth in services that would be very difficult to meet now by 1995.

The Cooke report estimated that a fully funded system would cost $11.3 billion. Its proposal would have eliminated user fees; subsidies to low-income families and tax breaks for others would no longer have been needed. Such a system would have provided child care services for all children under 13 years, as well as supplementary services - such as parent resource and referral services, toy lending libraries and so on.

Already public expenditures exceed $1.5 billion annually for the current, woefully inadequate and inequitable child care measures that are administered through the federal/provincial and territorial governments. Would massive increases in personal income tax be needed to support a comprehensive child care system, or could the federal government consider altering its priorities?
The classic cry is "child care not warfare", but the reallocation of defence spending is only one of many options. For example, the effectiveness of the following taxation measures should be questioned.

- The tax subsidy on lifetime capital gains has cost the federal treasury $1.7-billion annually, half of which has benefitted the richest 1 percent of Canadians.

- The government lowered the highest federal income tax rate from 34 to 29 percent, to harmonize it with the U.S., costing the treasury $1.8-billion annually.

- The entertainment-tax deduction for business persons has cost the treasury $1-billion annually.

- In 1989, 118,000 profitable companies paid no tax on profits of $25-billion. If corporate taxes had grown at the same rate as sales and personal taxes, the treasury would have gained an extra $9-billion in 1990 alone (Barlow, 1991).

- Should employers contribute a share of the costs? In 1991, according to Statistics Canada (Cat.72-005), labour income, wages and salaries for Canada totalled $338.5 billion. If employers were charged a 0.3 percent tax surcharge, this would add just over $1-billion annually to the treasury.

In estimating the costs of a national child care system, the value to the public purse of the social and economic benefits of providing child care should be deducted from program expenditures. A United States study estimated that $1 invested in pre-school education returns $6 in taxpayer savings because of lower education costs, lower costs of public welfare and crime, and higher worker productivity (Edelman, 1989).

Although, no thorough cost/benefit analysis of child care has been carried out in the Canadian context, some cost and benefit figures have been calculated in the British Columbia context. The following observations are from the 1991 Task Force on Child Care.

"It appears that the availability of child care is a key factor in facilitating the earnings of roughly $1.6-billion annually by working women who have children under 6 years of age."

Annual payments of $350-million by British Columbians were estimated for child care; 85 percent goes to wages and benefits for providers.

The re-spending of child care workers' salaries generates a further $150-million, and adds a further 3,000 jobs to the B.C. economy.
The economic impact of the construction of 1,000 centre-based child care spaces would involve $6.4-million in gross domestic product, 45 person years of direct employment in the construction industry, and 144 person years in employment overall.

The reality is not that Canada cannot afford child care but that the federal government lacks the political will to develop real funding options.

The second excuse for federal inaction has been constitutional debate. Decentralization of federal responsibility and devolution of spending power to the provinces for social and other programs is evolving in the context of constitutional change, aboriginal self-government and self-determination for Quebec. Under Section 25 of the Charlottetown Report, for example, the Government of Canada would have been required to provide reasonable compensation to the government of a province that chooses not to participate in a new Canada-wide shared-cost program. This issue will undoubtedly reappear during the review of Canada's social programs. In light of this, one must ask: Is child care the social program which Canadians will never have?

CONCLUSION

The haphazard evolution of federal and provincial child care funding strategies has not produced a result that meets Canadian families needs. The childhood of many Canadians for whom poor quality care is the norm is being jeopardized. Lobbying prior to and during the 1993 federal election resulted in the election of a federal government committed to addressing Canada's child care needs. The effectiveness of its actions will depend on Canadians in general and the child care community in particular. The scenario is bleak but advocates for children must not give up.

_Mab Oloman is Co-ordinator of the Westcoast Child Care Resource Centre. She is a former Manager of Program Development for the Child Care Branch, Ministry of Women's Equality in British Columbia. Oloman has a ten year background in child care policy, including eight years as the Director of Child Care Services at the University of British Columbia. She was also the researcher for the B.C. Task Force on Child Care and she has been an active advocate with both provincial and national child care organizations. At the time of this paper Mab was employed as an independent contractor._
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Chapter 4

A Comprehensive System of Child Care

Jane Beach

59 Introduction

59 The Current Picture of Child Care in Canada
Child care service delivery
The role of provincial governments
The role of the federal government
In contrast: child care in Europe

64 A Comprehensive Child Care System:
What Is Needed?

64 A Comprehensive Child Care System:
Delivery Models

66 A Comprehensive Child Care System:
Characteristics
High quality child care
Inclusive programs
Flexibility
Appropriate programs
Responsive and coordinated programs

73 Comprehensive Child Care: The Service System
Funding
Supports to communities
Supports to programs

74 Comprehensive Child Care: An Example
The resource centre
Centre-based child care programs
Alternate care program
Community organization
Funding

77 Summary
The federal government immediately take steps to enter into an agreement with the provinces leading to the adoption of a National Day Care Act.

Royal Commission on the Status of Women, 1970

... enable parents to combine family obligations with work responsibilities and participation in public life, in particular through promoting the establishment of a network of child care facilities.


Child care is the ramp that provides equal access to the workforce for mothers.


... the federal, provincial and territorial governments jointly develop complementary systems of child care that are as comprehensive, accessible and competent as our systems of health care and education.

Report of the the Task Force on Child Care, (Cooke, 1986)

States shall take all appropriate measures to ensure that children of working parents have the right to benefit from facilities for which they are eligible.


The Federal, Provincial and Territorial Governments establish a national child care system that is:
a) universally accessible, regardless of income level, region or work status; b) comprehensive, providing a range of child care options to recognize the different needs of families, children and communities; and c) high quality, meeting the standards advocated by child development experts


A COMPREHENSIVE SYSTEM OF CHILD CARE
Canada needs a child care system. For more than 20 years women's groups, labour
groups, professional organizations, church groups, child care advocates and others -
all have been calling for a comprehensive system of affordable, high quality child care.
Endless studies have documented the benefits to children, parents, employers and the larger
community of accessible, quality, regulated child care, and the long term problems with its
absence. While numerous commissions, task forces and government committees of all politi-
cal parties have also recommended that such a system be implemented for all Canadian
families, virtually no progress has been made towards its development.

The term comprehensive has been used for the last 20 years, as part of a necessary
element in the provision of child care, and in the development of a system. However, little
discussion of what a comprehensive child care system means, or includes, has evolved, be-
yond description of a range of child care models.

This paper discusses what is needed in a comprehensive child care system including
delivery models, characteristics of the models and a description of the service system. It
illustrates how comprehensive child care services can be delivered and coordinated. It sug-
gests that a comprehensive child care system has three main dimensions:

* first, the types of program models needed;
* second, the characteristics that these models need; and
* third, the service systems characteristics.

THE CURRENT PICTURE OF CHILD CARE IN CANADA

Child Care Service Delivery

This section provides an overview of child care delivery, and the characteristics of
child care in Canada, with a view to demonstrating that a comprehensive system does not
exist.

For most Canadian families, regulated child care is not available or affordable; the
quality of care that is available is often poor; and existing services are unresponsive to many
families needs. Most programs offer regular day-time care only; services for parents working
shifts and irregular hours, and for those needing part-time, seasonal or emergency care are
almost non-existent, in most parts of the country. Many more families use unregulated child
care than want to, because of the lack of licensed care, the high cost where such care is avail-
able, low income eligibility ceilings for and lack of subsidies, high minimum user fees and
the lack of services available outside regular hours (Lero, 1985).
Child care services for infants and school-age children are even less available than for children of other ages. The needs of multicultural, aboriginal and francophone communities outside Quebec are often ignored.

None of the provinces or territories fully conform to established criteria for high quality child care programs (Friendly, Rothman, & Oloman, 1991). The range of quality and licensing requirements varies tremendously across the country. Some provinces have no training requirements for staff (such as New Brunswick and the territories); others have fairly stringent requirements (such as Manitoba, where two thirds of the staff must have an approved one or two year diploma or certificate). Training requirements for staff working in school-age programs range from inadequate to non-existent.

Adult-child ratios also vary widely. Newfoundland has no licensed care for children under two years of age. In Quebec, the adult-child ratio for 18 month old children is 1:8, in a maximum group size of 30; in Nova Scotia, the ratio is 1:4, with no maximum group size; in Manitoba, the ratio is 1:4, with a maximum group size of eight.

Little appropriate care has been provided for children with disabilities. Many existing programs are part-day programs that do not meet working parents needs. Additional problems include funding, access to appropriate support services and consultation, and programs willingness or ability to integrate children with special needs. About ten to fifteen percent of children in the population could be designated as having special needs, that is, some form of disability. Yet, a much lower proportion of children with disabilities are represented in child care programs.

In some parts of the country waiting lists for child care programs are long. For example, in June, 1992, there were 16,000 families in Metropolitan Toronto on a waiting list for subsidized spaces (Janmohamed, 1992). At the same time, many child care centres had vacancies because parents could not afford to pay the full fees.

In Alberta, many of the commercial centres, where the quality of care provided is often poor, have vacancies. At the same time, waiting lists for spaces in non-profit and municipally-operated centres are long.

In addition to problems with programs and services, no infrastructure is in place for government to develop a coherent system, or to provide systematic maintenance to the voluntary sector, in order to provide resources and support to such a system. There is little or no planning, coordination, or networking. Nor is there appropriate funding to allow these things to happen. Little program evaluation is carried out to ensure that services to children are of high quality, that they meet parents' needs, and that they are responsive to changing community needs.
While many families have to make multiple care arrangements for their children, balancing work and family life may be particularly difficult for parents with kindergarten and school-age children. In many parts of the country there is little relationship between schools and child care programs. The number of arrangements which parents have to make to complement the irregular school day/calendar is often susceptible to breakdown or tends to encourage latchkey arrangements.

In an international literature review, Towell (1990) found little research on quality in school-age child care. Doherty (1991) indicates that according to the available limited research, poor quality child care has the same negative impact on school-age children as it does on younger children. Since some children will spend more hours in various child care arrangements than in the classroom, the issue of quality is certainly worrisome.

The labour market has not responded adequately to families' changing needs, through employment policies. Mothers still bear the primary responsibility for child care arrangements (Pence, Goelman, Lero, & Brockman). In a recent study on work and family issues, 76.5 percent of female respondents indicated that making child care arrangements was their responsibility, compared to 4.1 percent of men (MacBrìde-King, 1990).

In a study conducted for the federal government, virtually none of the private sector companies interviewed offered personal leave for family responsibilities, a regular reduction in hours for mothers of preschoolers or nursing mothers, or the option to work part time or at home to facilitate family responsibilities. Only 4.1 percent offered the option of job sharing (SPR Associates, 1986).

Unions have done little to bargain for family responsibility leave, or for flexible working arrangements for parents of young children. Such arrangements would include flex-time freedom to choose their hours of work with impunity, to refuse over-time, or exemption from working late evening or night shifts.

In 1974, approximately 55,181 regulated child care spaces were provided in Canada. By 1991, the supply had grown to 333,082 spaces, an increase of over 600 percent (Health & Welfare Canada 1974, 1992). At first glance, this may seem like an impressive increase over an 18 year period, but in fact, far more children of working parents are without access to regulated care now than there were 18 years ago.
Table 1 shows the growth in the labour force participation rates of mothers from 1976 to 1990, by the age of their youngest child.

Table 2 shows the relative increases of children with mothers in the labour force, the number of regulated child care spaces and the number of children who are not in regulated child care. This means that approximately 800,000 more children were not in regulated care in 1991, than in 1974.

Mothers' Labour Force Participation Rates
by age of the youngest child

<table>
<thead>
<tr>
<th>Age of Youngest Child</th>
<th>1976</th>
<th>1990</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 3 yrs.</td>
<td>31.7%</td>
<td>60.1%</td>
</tr>
<tr>
<td>3-5 yrs.</td>
<td>40.9%</td>
<td>66.2%</td>
</tr>
<tr>
<td>6-12 yrs.</td>
<td>49.5%</td>
<td>76.0%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Women in Canada: A Statistical Report

Child Care Arrangements of Mothers in the Labour Force with Young Children

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Children &gt;3</th>
<th>Not in Regulated Spaces</th>
<th>Regulated Spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td>1974</td>
<td>2.2</td>
<td>2.5</td>
<td>3.2</td>
</tr>
<tr>
<td>1984</td>
<td>2.1</td>
<td>2.3</td>
<td>2.9</td>
</tr>
<tr>
<td>1991</td>
<td>0.055</td>
<td>0.171</td>
<td>0.292</td>
</tr>
</tbody>
</table>

As one can see, the vast majority of children in alternative arrangements are cared for in the unregulated sector. It is important to note that approximately half of the children in this sector are cared for by relatives (Pence, Goelman, Lero, & Brockman, In preparation). The rest are cared for by caregivers, babysitters and nannies either in the children's own homes, other childrens' homes, or the caregivers homes.

This type of care falls outside government authority; there are no standards and the quality is often questionable. Even though many families prefer this form of care, many use it because no alternative is available or affordable. A number of studies have shown that many more parents would prefer regulated care than currently use it (Lero, 1985; Ontario Ministry of Community and Social Services, 1988).

According to the 1988 National Child Care Study, 44 percent of interviewed parents did not work a standard work week; that is, week days only, on a fixed daytime schedule, usually ending by 6 p.m. Very few regulated child care options are available for parents who work extended days, evenings, weekends, night shifts or have irregular work patterns (Friendly, Cleveland, & Willis, 1988). In addition, most women work full-time, but many of those who work part-time would choose to work full-time if they had adequate child care (Cooke, London, Edwards, & Rose-Lize, 1986).

Fees in a regulated setting can exceed $1,000/month for infants in some parts of the country. Yet ceilings on subsidy payments are often much lower. For example, in British Columbia, a family earning $15,000 per year could receive a maximum monthly subsidy of $574 for an infant space in a day care centre, but would have to pay as much as $400 per month themselves. Obviously, group infant care is not an option for such families (Childcare Resource and Research Unit, 1993).

Even though the child care picture remains fairly grim across the country, it is important to consider the influence of the advocacy community in keeping child care on the political agenda. Advocates in many provinces have won victories. Both the Canadian Day Care Advocacy Association (CDCAA) and the Ontario Coalition for Better Child Care (OCBCC) were instrumental in making child care an issue in the last two federal elections.

The Manitoba Child Care Association has also combined work at the provincial and federal levels. Child care reform would not be under review in Ontario without pressure from and the work of the OCBCC. In Nova Scotia advocates have won a salary enhancement grant.

Just as important, is the fact that advocacy groups are not alone in viewing child care as part of the solution to broader community problems. For several years, organizations representing social welfare, labour, health and education and women have called for publicly funded child care as an economic necessity for women and as an essential service to society as a whole.
A COMPREHENSIVE CHILD CARE SYSTEM: WHAT IS NEEDED?

Government must recognize child care as an essential service to children, mothers, families and to society as a whole, and as worthy of public funding as health care and education.

The Canadian Day Care Advocacy Association (1987), has proposed a series of national objectives for a new child care system and a set of criteria to ascertain whether these objectives have been met. The objectives are summarized as follows:

The national objectives of the federal child care policy are to encourage and support the development of a publicly accountable, comprehensive range of licensed, monitored, quality, community-based, non-profit child care services across Canada for families seeking child care for their children aged 0-12 years and to ensure access to these services;

In order to qualify for federal dollars, provincial and territorial child care services must be:

- non-profit
- comprehensive (that is, they must be coordinated, planned in consultation with local communities, and must include a variety of child care services),
- accessible to all families who choose to use them, irrespective of ability/disability
- of high quality (that is licensed and monitored).

A COMPREHENSIVE CHILD CARE SYSTEM: DELIVERY MODELS

A comprehensive child care system provides delivery models that:

- support parents who are working or studying;
- support parents and other care givers at home with young children;
- contain standards and regulations which support quality;
- meet the educational, developmental and social needs of all children, irrespective of disability/ability; and
- provide a continuum of services for children aged 0-12.
The goal of a comprehensive child care system is to provide equal access with equitable benefits for all children aged 0-12 to affordable, high quality regulated child care, and related family support services.

A comprehensive child care system would take into account parents' needs dictated by their work patterns, work status and geography. It would provide a range of program models.

- Child care centres offering full-time and part-time care, on a full-day or part-day basis, for extended and irregular hours, and on a seasonal basis where appropriate.

- Child care centres would be both neighbourhood-based and available near the workplace. The actual hours of operation of individual centres would be based on community need and demand.

- Family day care in the home of a child care provider, offering the same range of enrollment options as above.

- Care in the child's own home in certain circumstances.

- Situations where care in the child's own home could be considered include care for the mildly ill child, short term extended hour care in farming communities, overnight care for shift workers, particularly when there is more than one child in the family.

- Integrated care, recreation and educational services for kindergarten and school-age children up to the age of 12, outside school hours.

These programs may be in the child's school, in community or recreation facilities, or in a caregivers home. They would strengthen neighbourhoods, building bridges between families and facilitating partnerships with education, recreation, health and industry.

- Nursery school programs offering care on a part-day basis.

At-home parents often use nursery schools to provide social opportunities for their pre-school children. Increasingly, unregulated or other family daycare providers use nursery schools.

- Programs that would care for children in an emergency situation, including when they are mildly ill.

This could include a modified program offered within children's regular centres, or family homes, and care in children's own homes by supervised providers.
• Family resource centres for parents and other caregivers at home with young children.

This would include parenting programs, play groups, occasional care programs, short-term emergency child care, toy libraries, and information and public education services.

• Programs responsive to the needs of women in particularly difficult or unusual circumstances.

This would include child care programs for women in transition houses, as well as those who are new refugees, chronically or seriously ill, in rehabilitation programs or incarcerated.

• Supplementary family policy which would included maternity and parental leave, paid family responsibility leave and flexible work arrangements.

A COMPREHENSIVE CHILD CARE SYSTEM: CHARACTERISTICS

A comprehensive child care system would be characterized by programs and services that are high quality, inclusive, flexible, appropriate, responsive and coordinated.

High Quality Child Care

Quality is a complex dimension. A definition of quality depends, in part, on one's view of the primary purpose of child care. Whose interests should be met and is one interest primary?

The early development of extra-familial child care in Canada was largely in response to economic demands and the need for labour force participation of women. This resulted in services that offered little more than custodial care. Beginning in the 1920s, nursery school programs were started. They were viewed as appropriate developmental programs for young children. In the 1960s some part-day programs were targeted to disadvantaged children. They did little, however, to allow mothers of children in the programs to participate in the labour force.

Child care was later viewed as an essential service in order for women to achieve greater equity in the workplace. As child care services began to expand rapidly in the early 1970s, the need for programs to meet the developmental needs of the children they served was given greater consideration. During this period most provinces responded by reviewing and updating their licensing and training requirements (Goelman, 1992).
Zigler suggests that:

"The primary goal of child care should be to ensure the optimal development of children using the system, not to enable parents to work... Of course, helping parents to work can contribute to the child's optimal development. Children stand to benefit when the financial status of their family improves" (Zigler, 1989).

A definition of quality that recognizes the needs of both children and parents has been suggested by Lero & Kyle (1985):

"Quality child care (is) provided by knowledgeable, committed and sensitive caregivers in a milieu that supports their efforts to provide an optimal environment designed to foster children's well-being, development and competence. Care provided in this manner explicitly recognizes the needs of parents for caregiving that supports and strengthens their child-rearing efforts through effective and informative communication and mutual respect."

The auspice of the program relates directly to the quality of care. Research demonstrates that in general the quality of care in commercial or for-profit programs is of poorer quality than in programs operated by non-profit groups and associations, or by government (SPR Associates, 1986; West, 1988; Whitebook, Howes, & Phillips, 1990; Doherty, 1991).

Research has also shown that high quality programs, in both centre-based and family child care are more likely within a system of strong regulation (Lero & Kyle, 1985; Doherty, 1991; Phillips & Howes, 1987). An American study found that programs in the States with higher standards were generally of higher quality than those with weaker standards (Whitebook et al, 1990).

A considerable body of research has demonstrated that a number of factors are key predictors of quality (Reviews of this research may be found in Doherty, 1990; Phillips & Howes, 1987; Lero & Kyle, 1985). In group day care they include:

Caregiver: Child Ratios and Group Size

Studies have shown that low adult:child ratios and small group size have a favourable impact on quality; caregivers in programs with these characteristics were more responsive to and actively involved with the children (Whitebook et al, 1990; Howes & Rubenstein, 1985; Howes, 1983).

An acceptable range of child/staff ratios within group sizes in child care centres has been defined by the National Association for the Education of Young Children.
## Acceptable Range of Staff: Child Ratios within Group Size

<table>
<thead>
<tr>
<th>Group Size</th>
<th>6</th>
<th>8/9</th>
<th>10</th>
<th>12</th>
<th>14</th>
<th>16</th>
<th>18</th>
<th>20</th>
<th>22</th>
<th>24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infants (0-18 mo.)</td>
<td>1:3</td>
<td>1:4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Toddlers (18-38 mo)</td>
<td>1:3</td>
<td>1:4</td>
<td>1:5</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Two-and three-yrs</td>
<td></td>
<td></td>
<td>1:5</td>
<td>1:6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Three yrs</td>
<td></td>
<td></td>
<td>1:5</td>
<td>1:6</td>
<td>1:7</td>
<td>1:8</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Three/ four-yrs.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1:7</td>
<td>1:8</td>
<td>1:9</td>
<td>1:10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Four-yrs.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1:8</td>
<td>1:9</td>
<td>1:10</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Four-and five-yrs.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1:8</td>
<td>1:9</td>
<td>1:10</td>
<td>1:11</td>
<td>1:12</td>
<td></td>
</tr>
<tr>
<td>Five to eight-yrs.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1:10</td>
</tr>
</tbody>
</table>

Other factors affecting quality in group day care are:

- **Caregiver Qualifications**

  Post secondary child care-specific training, on-going, in-service and continuing education and supervision have been shown to maintain and improve quality (Whitebook et al, 1990; Lero & Kyle, 1985; Abt Associates, 1980).

- **Wages and Working Conditions**

  High quality programs have been shown to have lower staff turnover, higher wages and a better work environment than those of poor quality programs. (Whitebook et al, 1990).

- **The Physical Environment**

  Design and layout, overall size of the centre, space per child, and materials, toys and equipment have all been shown to have an impact on children's behaviour and caregiver-child interactions (Lero and Kyle, 1985; Snow, 1983).

- **Health and Safety Provisions**

  Good health and hygiene practices, such as handwashing and sanitary procedures, cleaning of toys and equipment and daily screening of children contribute to children's well being and healthy development (Doherty, 1991; Klein, 1986; Black et al, 1981).

Research in family day care has begun to identify key indicators of quality. Two of the main indicators have been identified; namely the training of the caregiver and regulation. In a British Columbia study, licensed caregivers, who had family day care-specific training, professional pride in family day care employment, and who were supported through a family day care association and a network of support contacts provided higher quality child care than unlicensed caregivers. A significantly higher percentage of unlicensed caregivers would have preferred to do some other form of work than was the case with licensed caregivers (Pence & Goeiman, 1988).

In addition, caregiver-child composition and adequate, appropriate play space have been identified as important factors affecting quality in family day care (Lero and Kyle, 1985).
Inclusive Programs

A comprehensive child care system would provide equal access to all children, welcoming each child as an individual. Children have a variety of needs, regardless of ability or disability, cultural background, family income, or where their parent’s work.

Inclusive programs would ensure access to children with disabilities, providing adequate consultative and health related supports, as well as environments that facilitate both physical and social integration. To meet the needs of the percentage of children with disabilities in the general population, approximately 15 percent of licensed spaces would be funded and supported to care for children who fit within a broad definition of special needs. As stated in Quality Child Care For All (Roeher Institute, 1992), good integration includes:

1. Having a clear policy and philosophy
2. Creating an environment that is accepting of differences
3. Sharing the responsibility
4. Promoting child-to-child interactions
5. Involving parents

Inclusive programs are responsive to and welcome cultural, racial and linguistic diversity. They have operating policies in support of diversity, and use equipment, materials and programming that reflect the multicultural nature of Canadian society. Anti bias curricula encourage equal treatment regardless of creed, gender, special needs, sexual orientation and socioeconomic class (Fahlman, 1992).

Inclusive programs are not targeted to a particular segment of the population. Just as segregated programs for children with disabilities are not the goal of a comprehensive system, neither are programs that are established for needy or disadvantaged children. Programs that are targeted create inequities in service provision. Many programs are targeted to low income families, despite considerable research evidence that shows these programs are usually poor and are more vulnerable to funding cuts than others. Other programs are targeted in such a way that they exclude segments of the population, such as children of non-working parents, school-age children and children with disabilities.

Another form of targeting is through the provision of work-related child care. Even though work-related child care programs add desperately needed spaces to the scanty supply, they can create situations of inequity within a workplace and between employers. In general, only employers with a large workforce can provide such programs, and often particular categories of employees are given priority for a child care space. Usually, work-related child care programs can provide only a relatively small number of spaces compared to the needs of
the workforce. Many families with preschoolers and in particular, school-age children, prefer care in their neighbourhood. Some parents travel a considerable distance to work, making it impractical to bring a small child with them.

Regardless of any benefits or disadvantages associated with work-related child care, it is a discretionary, individual response to a larger, societal problem.

Child development expert, Ed Zigler, states that:

"the first principle is that all children must have access to stable, good quality child care if and when they need it. Good care is the right of every child and should not depend on family income, ethnicity, or the neighbourhood where they happen to live." (Zigler & Lang, 1991)

It is acknowledged that the debate on specific targeted programs for francophone children outside Quebec, and the new stage of development of child care for native children within the context of self-government, is complex. There are political, cultural and linguistic issues that are beyond the scope of this paper to discuss in any depth.

**Flexibility**

Flexibility in a child care system allows for a range of enrollment options within and between programs. In a flexible child care system, parents who work part-time, irregular hours, on-call, or on a seasonal basis would have access to regulated services.

Parents of young school-age children could choose to use a full range of before school, lunch-time and after school care, as well as full-day care on professional development (PD) days, school breaks and summer holidays. Parents of an older child could choose to use part-week, after-school, supervised clubs to complement other more independent activities, such as music lessons.

Flexible programs can sometimes meet the needs of a larger number of families than can a full-time program of a comparable size. In Ontario, three of 12 demonstration projects established to provide a range of flexible services that were monitored and evaluated over a number of years, served several times their licensed capacity.

For example, a hospital-based program for shift workers served 95 children in a 16 space day care centre (open 13 hours a day), over a six month period. The same program offered licensed family day care for late evening and overnight care as well as regular days. Parents could access one or both of the programs on a full-time or part-time basis, as well as on an emergency basis for on-call staff.
In a comprehensive child care system flexibility would be supported by a broader, supportive family policy, which would ensure adequate paid family responsibility leave, and reasonable and flexible working hours.

### Appropriate Programs

Appropriate services take into account the age of the children served, the nature of the model, the patterns of use within the program and the staff training requirements. For example, the curriculum in a short-term emergency care program would need to reflect the fact that children may be under unusual stress and unfamiliar with staff and other children. Enrolment patterns would be irregular and fluctuate daily.

The particular needs of the school-age child have been largely overlooked in both the delivery of services and within most provincial child care legislation. For example, no provincial government requires staff working in school-age programs to have specific training or experience related to this age group. In order to provide appropriate programming for school-age child care, staff must be able to provide activities that foster independence, encourage children to think and reason, enhance physical development and encourage involvement in the community at large (Albrecht & Plantz, 1991).

### Responsive and Coordinated Programs

Programs responsive to the needs of the local community, can be provided within a legislative framework of standards and regulation, if adequate supports and funding are available.

A farming community may need extended-day, full-time child care during harvesting season, but only part-time, short-day care for the rest of the year. The child care centre may operate only part-year; for the balance of the year, a nursery school program, occasional care programs, play groups and a toy lending library may operate in the same space. Many children use publicly funded recreation programs after school which, at present, are not intended to provide child care. In a comprehensive child care system there would be a level of coordination and integration of the full range of out of school services for school-age children including recreation programs, Boys and Girls clubs, summer playgrounds, day camps and child care.

Coordinated services would provide a single access point for parents, regardless of the type or range of programs they require. Family resource centres would be one option as the access point. They can provide education and information to parents, and appropriate coordination between health, education and social service organizations. Responsive programs recognize that needs are not static – demographics may change, employment may vary and public education may result in the demand for a different type of service.
A COMPREHENSIVE CHILD CARE: THE SERVICE SYSTEM

Perhaps as important as the development of services is the development of a service system, an infrastructure at the provincial and local levels to ensure appropriate planning, coordination, funding levels, accountability, monitoring and development of new services. Following is a list of some of the major supports and activities required to deliver comprehensive services.

In addition to providing programs and services, a comprehensive child care system would consist of a service system. This would include:

**Funding**

- sufficient funding mechanisms and levels to child care and related support programs to ensure that cost is not a barrier to parents;
- adequate capital funding;
- funding for the service infrastructure;
- a funding base that recognizes varying costs by location, including rural, isolated and northern communities.

**Supports to Communities**

- development of an infrastructure at both the provincial and local levels to ensure appropriate planning, coordination and accountability;
- development of new services at the local level, with opportunities for parental involvement in both the planning and ongoing delivery of services.

**Supports to Programs**

- consistent (not identical) regulations and standards across the country, with respect to training, group size, ratios and physical space requirements, as well as monitoring and enforcement of the regulations;
- appropriate training of regulatory staff to enable them to act as a resource and support to programs, rather than provide simply a policing function;
- ongoing research and data collection to assess utilization, parent satisfaction and program quality and effectiveness, and to contribute to the ability to respond to changing needs in the community;
- accountability for effective use of resources.
COMPREHENSIVE CHILD CARE: AN EXAMPLE

Following is a description of one agency that has developed a comprehensive child care system in its community, within the limitations of the existing structure. This agency happens to operate in a rural setting, but the services it provides and the method of delivery would be relevant to most communities.

South-East Grey Community Outreach (SEGCO) is a non-profit organization that was incorporated in 1986. It was established to respond to the lack of services for children and families in its area. It now serves nine villages and the surrounding communities in seven townships of Grey County. The population of these villages range from 200 - 1,300, with an average of 300. The agency of South-East Grey Community Outreach is located in the village of Markdale, Ontario, approximately 35 kilometres from Owen Sound (population 20,000).

In December, 1985, SEGCO received funding from the Ministry of Community and Social Services to conduct a child care needs assessment. As a result of the needs survey and continual community involvement a number of programs have evolved.

The Resource Centre

At the core of service delivery is the resource centre. It provides support, resources and socialization for community parents and caregivers in accordance with their needs. The following services are available:

- Parent-child drop-in
- Community playgroups
- Saturday morning school-age programs
- Program theme boxes
- A toy-lending library
- Community workshops
- A community newsletter

- A half-day preschool program which operates three days per week, offering different theme-based programs.
- A drop-off program for at-home parents. Up to five children can be accommodated at one time, for a maximum of four hours, to enable parents to go to appointments, job interviews, volunteer, run errands, or simply relax.

All the programs are offered once a week in four other locations. There is also a travelling teen pregnancy-prevention and awareness program offered in local high schools. The resource centre employs a number of administrative and professional staff. The programs listed below are coordinated through and supported by some of these staff.
Centre-Based Child Care Programs

All the programs are licensed, and operated under the direction of a qualified supervisor. They can be used on a regular, seasonal or drop-in basis, either full days, part days or on an hourly basis.

1. Regular child care services
   Year-round centres operate Monday to Friday from 6 a.m.- 6 p.m. and are offered in four locations, for children 4 months to 5 years. Licensed capacity averages 16 children, in a mixed age setting. Between 30 and 48 different children regularly use each of these centres every month. One of the centres is located in a purpose-built house trailer, licensed for 16 children, which has the ability to move to different communities as needed.

2. School-age child care
   School-age child care programs operate from 6 a.m.-9 a.m. and from 3 p.m.- 6 p.m. and on P.D. days, March Break and Early Closings. They are offered in three locations for children five years old and up.

3. Seasonal child care services
   Each spring and summer, in isolated rural locations small seasonal child care programs operate on a use-as-you-need basis for the farming community.

4. Regulated home child care
   In September, 1992, in response to community demand, SEGCO added a licensed home child care program. There are currently 15 caregivers to provide care in their own homes. The agency recruits and supervises the caregivers, and provides program support and in-service training.

SEGCO has a policy of equal access for all children and has always served children with disabilities who require child care, or whose parents wished to use any of the parent support programs. While the agency has yet to receive additional funding for children with disabilities, it has access to resources and consultation through a preschool resource program.

Alternate Care Program

This program offers short-term emergency child care on a 24-hour basis. Access to this program is limited to families with unanticipated short-term child care needs, which arise on short notice, and for whom there are no other suitable options. It could involve illness of a parent or other caregiver, a parent being called out of town unexpectedly, or a breakdown in the usual caregiving arrangement.
Care is provided in the child's own home by staff who are recruited, trained and supervised by the agency. If staff are not needed in this program on a given day, they provide a pool of supply staff to the day care centres and other programs.

Community Organization

Last year, more than 600 families with more than 1,000 children participated in at least one of SEGCO's child care programs. Much of the agency's success is a result of strong community effort and local and provincial government support. The organization has evolved from a Board of Directors, mainly parents, whose interest, commitment and common goals have resulted in the implementation of flexible, accessible, community services. More importantly, this organization now provides an organized body of voices who are willing and able to advocate for rural community needs, identified by the people of those communities.

SEGCO works collaboratively with many other organizations; on a daily basis it works closely with the Board of Education, the local health unit, Youth Employment Services and mental health counselling services. Examples of collaboration in specific community projects include a partnership with other community agencies to operate an infant child care program for teen parents at a local high school, the development of an alternative junior kindergarten proposal, and the transfer of local funds to a local child care supervisor's group which promotes peer support and staff training for local child care staff.

Funding

In the 1991/92 fiscal year, SEGCO's operating budget was over $1-million. Approximately 60 percent of this budget came in the form of base funding and the balance in fees, both from parents who paid the per diem rate and those receiving fee assistance.

Currently, fees for the licensed child care services range from $10.25 per day for before-and-after-school care, to $26 per day for infant care. Approximately 55 percent of parents pay the per diem rate, and 45 percent receive some amount of subsidy. There are no fees for services directly offered by the resource centre.

This hub model approach has facilitated the development of a comprehensive rural child care system, by interconnecting services and families fluctuating needs. The importance of the hub model is clearly illustrated by the at-home parent who learns, while attending a local playgroup, that it is possible for him to use the licensed local child care centre on a drop-in basis, or the working parent who learns of the local playgroup as she prepares for her six-month maternity leave.
Prior to the commencement of service delivery in 1986, SEGCO developed a mission statement, a set of common values and a series of objectives for its child care programs. This has helped guide the development of services and provides a useful tool to evaluate the effectiveness and the appropriateness of its programs. SEGCO regularly surveys the community to see how well families are being served, how satisfied they are, and what new services are needed.

SUMMARY

Canada lags far behind most other countries in the industrialized western world in terms of provision of and support to child care programs. A comprehensive child care system is essential. It is needed to place societal value on families and children; it is needed to allow women to participate more fully in the labour force; it is needed to support and promote healthy child development. It could also help reduce the dependency of sole support parents on social assistance.

A comprehensive child care system must be available to all children under the age of 13 who need it, irrespective of ability/disability, regardless of parents’ work status or income, regardless of which part of the country they live. It must be affordable, non-profit and of high quality. Achievement of a comprehensive system is possible only through public policy and public funding. It is essential that both the federal and provincial governments take responsibility for child care.

Jane Beach is the Director of Child Care Services in British Columbia. The paper was written when she was the co-ordinator at the Childcare Resource and Research Unit at the Centre for Urban and Community Studies at the University of Toronto. Jane has also spent a number of years as a policy analyst at the Ministry of Community and Social Services, where she was involved in the development, testing and evaluation of flexible models of child care. She was the child care coordinator for the City of Toronto, a consultant on a number of child care studies and research projects and has served on various boards and advisory groups of child care programs and advocacy organizations.
REFERENCES


Chapter 5

Caring for the Children
Jane Bertrand

83 Introduction
83 Child Care Staff in Context
Staff are the key to high quality child care
The majority of staff in child care settings are women
Child care is an emerging concept

86 A Profile of Child Care Staff
Salaries, benefits, working conditions
- Salaries
- Benefits
- Working conditions

89 Training and Education
- Post-secondary education
- In-service and post-diploma training and education
- Public schools and regulated child care settings

92 Monitoring and Enforcement

94 Future Directions
Improving salaries
Qualification requirements
Standards and integration of early childhood education training programs
Ensuring accountability

96 Summary
More than 60,000 people care for young children in regulated child care across Canada. These human resources are an important component of a comprehensive child care system. This background paper will explore common characteristics of child care staff, examine current work environments in child care settings and suggest policy directions for a rejuvenated child care agenda.

The first section, *Child Care Staff in Context*, describes staff as the key to quality programs for young children. Child care staff are mostly women. Their roles and responsibilities are often ambiguous which reflects the changing range of services in the child care sector.

Section two, *A Profile of Child Care Staff*, considers how human resources are now organized in regulated child care settings. Staff salaries, benefits and working conditions emerge as primary concerns. Provincial requirements and post-secondary education and training programs for child care staff, are indicators of quality care, and work together to determine who works in child care settings. In practice, the quality of staff and therefore, child care programs, relies on the application of minimum staffing requirements and the content of education and training programs.

The third section, *Future Directions*, discusses the future for staff and their place in a national child care policy. In addition, this section examines the roles and responsibilities of provincial and territorial governments, professional organizations, unions and post-secondary educational institutions.

**CHILD CARE STAFF IN CONTEXT**

**Staff are the Key to High Quality Child Care**

A review of research studies conducted over the past ten years in Canada, the United States, England, Western Europe, Bermuda and New Zealand concludes that child care staff are critical determinants of quality in early child care and education programs (Doherty, 1991). Several of the studies indicate that the amount and quality of interaction between children and staff is the most important factor for positive child outcomes in centre or home-based child care settings.

The quality of child-staff interactions is determined by a number of factors including the amount and type of training, staff-child ratios, group size, program size, staff turnover rate and job satisfaction.
Several things are known from the research:

- Working with young children requires skills and knowledge that are provided through formal education and training programs. Current research demonstrates a strong relationship between program quality, staff education, training in child development and early childhood education practices (Whitebook et al., 1990).

- Low staff turnover promotes program stability for children and their families through the development of consistent relationships. High staff turnover has quite a different effect, creating a lack of consistency and instability.

- Child development experts believe that optimal staff-child ratios are:

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infants (0 - 18 months)</td>
<td>1:3</td>
</tr>
<tr>
<td>Toddlers (18 - 30 months)</td>
<td>1:4</td>
</tr>
<tr>
<td>Preschool (30 months - 5 years)</td>
<td>1:6</td>
</tr>
<tr>
<td>Kindergarten (4 and 5 years)</td>
<td>1:8</td>
</tr>
<tr>
<td>School-age (6 - 9 years)</td>
<td>1:10</td>
</tr>
</tbody>
</table>

  (National Association for the Education of the Young Child, 1990; Harms, 1980; Doherty, 1991)

  These ratios allow for frequent interactions between children and adults and individual attention for each child.

- Job satisfaction is determined by a number of work environment variables including salary levels, amount of time for preparation work, staff-child ratio, and the program's administration style (Doherty, 1991).

Other factors related to positive child-staff interactions are linked to specific contextual factors: regulatory environment (legislation, licensing, monitoring and enforcement), auspices (non-profit, municipal or commercial) and funding (Doherty, 1991). A major American study found that auspice was the strongest predictor of quality. Commercial child care centres were related to lower quality care (Whitebook et al., 1990).

**The Majority of Staff in Early Child Care Settings are Women**

The child care sector is predominantly female. Child care work is often viewed as an extension of women's traditional roles as mothers and homemakers.
A Canadian study (Karyo Communications, Inc., 1992) established a profile of staff working in child care centres:

- 98 percent were female
- 41 percent had children living at home
- Almost 90 percent were of childbearing age

Child care staff are underpaid. Like other traditionally female job sectors, salaries are lower than in male dominated sectors requiring comparable education and training. Also, typical of female job sectors, only 20 percent of child care staff in Canada are represented by a collective bargaining unit compared to 30 percent in the general labour force (Karyo Communications, Inc., 1992).

Early childhood education professional organizations throughout this century have focused primarily on the quality of the environments made available to children. They have not emphasized efforts to significantly improve staff economic circumstances (Finkielstein, 1988). This approach to professionalism is more typical of female dominated sectors than of male dominated sectors such as doctors, lawyers and engineers.

Child care staff, like other female dominated sectors, can improve salaries and benefits and protect other goals of professionalism. Elementary school teachers and nurses are also female dominated sectors. Both groups began with an emphasis on quality of services provided. Both developed effective collective bargaining structures which promote reasonable remuneration and protect quality of service.

**Child Care is an Emerging Concept**

Child care is not an institution with clearly understood rules and norms. Very few child care staff have had personal early childhood experiences in licensed child care and education settings. They bring their own childhood experiences and perhaps parenting experiences, first school experiences (often kindergarten) and (if young enough) Sesame Street to help define and understand child care settings and the role of staff in these settings.

Child care settings are diverse including licensed child care centres and day nurseries, regulated family home child care settings, parent-child resource centres, kindergarten programs and out-of-school programs. Employers may be small community-based boards of directors, non-profit multi-service agencies, community colleges, municipalities, school boards, private individuals or companies. The range of settings, the age groups and numbers of children served have grown significantly over the past decade.
There are no set role titles. Manager, director, coordinator, supervisor and administrator are all terms that may be used for the person in charge. Teacher, child care worker, day care worker, program staff, caregiver and early childhood educator are used to describe the people who directly plan and carry out children's daily care and activities. In part, these differences in terms reflect provincial and territorial variation but they also reflect different views of the care and education functions of child care centres.

Each province and territory in Canada has established its own legislation and regulations for licensed child care settings. Child care policies and services vary across the country creating a patchwork quilt that shares more differences than similarities (Goelman, 1992).

A PROFILE OF CHILD CARE STAFF

Salaries, Benefits and Working Conditions

A major American study of child care staff found that staff wages were an important predictor of quality child care. The study also found that the rate of staff turnover is related to salary, benefits, working conditions and employment practices (Whitebook et al, 1990).

The results of a recent national Canadian survey indicate that staff in regulated child care settings are poorly compensated for their training. Wages have not kept pace with inflation and fall near the bottom of industrial wage rates. The majority of staff receive few benefits beyond legislated requirements. Poor working conditions are reported as a source of considerable frustration (Karyo Communications, 1992).

This section highlights the situation of staff in regulated child care centres. Little recent information about the wages and working conditions of regulated home child care providers has been collected for Canada as a whole.

• Salaries

In 1984, the first Canadian survey on child care salaries and working conditions was carried out. That study, The Bottom Line: Wages and Working Conditions of Child Care Employees, found the average child care wage across all positions was $7.29 per hour. In 1991, the most recent survey found that the average wage had risen to $9.60 per hour. Adjusted for inflation, the 1984 average wage would now be $10.05 per hour, indicating a 45 cent drop in the real wages of child care staff over the past seven years (Karyo Communications, Inc., 1992).
### 1991 Provincial Average Salaries in Canada

<table>
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<tr>
<th>Province</th>
<th>Assistant</th>
<th>Teacher</th>
<th>Teacher/Director</th>
<th>Admin. Director</th>
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<td>19,773</td>
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*(Karyo Communications, Inc., 1992)*
The 1991 survey found that wages for child care staff varied in relationship to the centres' auspice or sponsorship. Staff working in municipal child care centres were likely to be paid the highest wages, while staff employed in commercial centres were paid the lowest wages. Prince Edward Island, where commercial centres reported the highest salaries, was the only province or territory to vary from this norm. The study reported that staff in non-profit centres earned 25 percent more than staff in commercial centres across all staff positions.

Child care staff ranked better salaries as the single most important improvement for the child care field to increase job satisfaction and reduce staff turnover rates. Unionized staff earn, on average, 33 percent higher wages than non-unionized staff (Karyo Communications, Inc., 1992). However, as mentioned earlier, the unionization of child care staff is low compared to other sectors.

A number of factors contribute to a low union membership rate. Child care centres are usually small workplaces, individually operated by community boards of directors or individual owners. Unions are reluctant to organize small bargaining units where contract negotiations are expensive and time-consuming. Staff tend to have a close relationship with their employers (often parents using the child care centre) and view unionization as confrontational. Staff have often seen (or perhaps been encouraged to see) a contradiction between seeking appropriate economic rewards and supporting early childhood education as a profession (Griffen, 1989).

Staff ranked promoting more respect for child care staff as the second most important improvement needed (Karyo Communications, Inc., 1992).

- **Benefits**

  Work-related benefits are important factors contributing to the long-term value of a job and security for staff. Pensions and disability insurance are necessary for women to achieve a more equitable financial position in Canadian society. Yet recent studies indicate that less than a quarter of staff receive a pension and only slightly more receive long-term disability benefits (Schom-Moffat, 1986; Karyo Communications, Inc., 1992).

  Except for workers in municipal centres, most workers received few job benefits. Such benefits as were provided varied considerably according to auspice. Staff in commercial settings received substantially fewer benefits than staff in non-profit centres and far fewer benefits than staff in municipal centres. Child care fees for parent employees were found to be the only benefit more likely to be offered by commercial centres (Schom-Moffat, 1986; Doherty, 1992; Karyo Communications, Inc., 1992). The American national child care staffing survey found that reduced fees for parent employees was linked to centres offering the poorest quality care (Whitebook et al, 1990).
• Working Conditions

Working conditions include hours of work and a range of employment procedures and environmental factors. Recent studies indicate only a third of staff were entitled to paid preparation time or paid release time for professional development. Less than half had written job descriptions and only a quarter had written personnel policies or a written contract. (Schom-Moffat, 1986; Karyo Communications, Inc., 1992; Doherty, 1991).

TRAINING AND EDUCATION

Staff training requirements in regulated child care settings are determined through provincial or territorial legislation and regulations. Three jurisdictions (New Brunswick, Yukon and Northwest Territories) have no formal requirements. The other nine provinces require completion of an educational training program in early childhood education for at least some staff working in regulated child care.

Staff training requirements vary from Newfoundland, with requirements only for supervisory staff, to Manitoba, where two-thirds of the staff must have completed a one or two year training program in early childhood education. The length of required training varies from orientation courses of 50 hours to two year certificate or diploma programs. Many jurisdictions allow work experience or government approval to substitute for required qualifications.

Minimum staff qualifications required in regulated child care centres are as follows:

British Columbia: Centre supervisors and one staff per group must have one year of early childhood training. All other staff must be enrolled in a training program. One staff person with each group of infants/toddlers must have additional infant/toddler training. Programs integrating children with special needs require one staff with additional special needs training.

Alberta: One in six child care staff in each centre must have a one year early childhood education certificate. By September 1, 1994, that ratio will increase to one in five and, by September 1, 1995, to one in four. Centre supervisors will be required to have a two year early childhood education diploma by September 1, 1995. All other staff must complete a 50 hour orientation course.

Saskatchewan: Centre supervisors will be required to have a one year certificate in child care studies by 1993. Every staff member must take 130 hours of training provided through regional community colleges.

Manitoba: Three qualification levels: CCW III: Diploma, degree or advanced certificate relevant to child care; CCW II: Approved certificate (one-year) program; CCW I: Grade 12 or one course in child care. Two-thirds of the staff in a child care centre must be a CCW II or CCW III. All others must be a CCW I. Supervisors must be a CCW III plus one years experience.
Ontario: Child care supervisors and one staff per group of children must have a two year community college early childhood education diploma. One resource teacher with additional special needs training is required for every four children with special needs that are enrolled.

Quebec: One third of staff must have a two year college diploma or a university degree in early childhood education.

New Brunswick: No requirements

Nova Scotia: Two-thirds of the staff must have a one year or two year early childhood education certificate or diploma.

Prince Edward Island: Centre supervisor and one full-time program staff must have a one or two year early childhood development diploma or university child study degree. All staff must participate in 30 hours training every three years.

Newfoundland: Centre supervisor must have one year training in early childhood education and one year's experience. One additional staff with one year training required for more than 25 children enrolled in a centre.

Yukon: No requirements (now under review)

NWT: No requirements

There are few provincial or territorial training or education requirements for regulated family home child care, aside from first-aid and Ontario's requirements for agency home child care visitors.

Post-secondary Education


The national staff survey reported that seven out of ten staff working in regulated early childhood education settings had a post-secondary credential (certificate, diploma, or university degree in some area of study). Forty percent of the staff surveyed had either a one year or two year early childhood education diploma or certificate. Almost five percent reported a bachelors degree in early childhood education (Karyo Communications, Inc., 1992).
The academic and field practice components of early childhood education training programs are based on the knowledge, skills and attitudes presumed to be important in preparing people to work effectively with young children in a variety of settings. A recent review of early childhood training programs across Canada found considerable similarities. The majority of programs reviewed included content in child development, programming, communication, family studies, assessment and observation, health, safety and nutrition, special needs and history of early childhood education (Norpark, 1991).

Over the past 20 years there has been considerable pressure on early childhood education training programs to meet the expanding and diversified needs of regulated child care settings. Most training programs were initially geared to train nursery school teachers who would work with preschool children in half day programs. Today, the same one or two year programs are expected to prepare individuals to work with children from infancy to 10 or 12 years in a variety of full-time and part-time settings. At the same time there is growing recognition that child care programs must recognize and respect linguistic, cultural and racial differences. Also there must be equitable child care opportunities for children with special needs.

A report on Native child care (1990) emphasizes the importance of culturally appropriate child care programs for native communities. This requires training programs that reflect Native culture and values.

**In-service and Post-diploma Training and Education**

Prince Edward Island is the only province that requires on-going in-service training: 30 hours every three years. British Columbia requires specialized infant and toddler and special needs training for designated staff working with these groups in addition to the one year basic early childhood education certificate. Ontario requires a resource teacher with post-diploma training for recognized integrated programs.

There is considerable evidence that specialized training would be beneficial for centre supervisors. A survey of Ontario child care centre supervisors reported strong support for additional training requirements (Norpark, 1991). Another study found that the centre supervisor often determines staff standards and expectations and the kinds of information available to staff (Powell and Stremmel, 1989). Another study found that the supervisors level of formal education in early childhood education and program administration is a strong predictor of program quality (Jorde-Bloom, 1989).

**Public Schools and Regulated Child Care Settings**

In Canada, there are two separate and distinct systems to prepare staff to work with young children. One is for teachers in public school programs. The other is for staff who work in regulated child care and other non-school settings. School systems offer elementary and sometimes kindergarten programs for children from as young as 3.8 years, in some jurisdictions, to 12 years of age. Regulated child care serves children from as young as 6 weeks to 10 or 12 years.
Public school teachers are usually required to have an undergraduate university degree and a teaching certificate. There may or may not be specific education or training in early childhood education. Most provinces and territories have post secondary courses in early childhood education which are recognized as a minimum qualification for regulated early childhood programs. A few universities in Canada offer degree programs in early childhood education which may be used towards qualifications in either public school or regulated child care programs. Also a few universities, in collaboration with community colleges, offer a joint credential which both systems recognize.

**MONITORING AND ENFORCEMENT**

Monitoring and enforcing staff qualifications includes three broad activities:

- determining legislation and regulations, and their implementation;
- approving and monitoring recognized training programs; and
- establishing and carrying out a process to determine equivalency.

Various provincial and territorial jurisdictions have divided these tasks among the ministry responsible for licensing child care programs, other government bodies which may include representatives from outside government, or non-governmental provincial organizations.

Provincial/territorial monitoring and enforcement of staff qualifications are as follows:

**British Columbia:** The Provincial Child Care Facilities Licensing Board, within the Ministry of Health, includes representatives of the Ministries of Health, Social Services and Housing and Education. It is responsible for the registration of Early Childhood Educators.

**Alberta:** The Ministry of Family and Social Services issues qualification certificates for all child care staff who are included in the staff-child ratio requirements. The specific training required for each certificate level is stated in the regulations. The training programs are offered at accredited institutions.

**Saskatchewan:** The Department of Social Services determines criteria and set qualifications for staff.

**Manitoba:** The Manitoba Child Care Education Program Approval Committee is within the Department of Education. It includes a senior consultant, representatives from a university, community college, the day care office responsible for licensing child care settings, and the Manitoba Child Care Association. Post-secondary programs entitled to graduate students at the levels stipulated in the child care regulations must be approved by this committee and are recognized in the legislation.
Ontario: Provincial child care advisors employed by the Ministry of Community and Social Services are responsible for ensuring staff in licensed child care settings meet minimum training requirements and registering complaints from parents or community members. The Association for Early Childhood Education, Ontario, has a contract with the provincial government to assess equivalency of qualifications from outside of Ontario that are not included on a recognized equivalency list. The AECEO also has a voluntary certification program for members who have an ECE diploma.

Quebec: L'Office des Services de garde a l'enfance sets the staff qualifications as part of the licensing process and monitors their implementation. Early childhood training programs at CEGEPS and universities are identified in the legislation.

New Brunswick: There are no requirements for staff qualifications.

Nova Scotia: The Department of Education is responsible for training programs in post secondary institutions. The legislation does not state specific training programs but the Department of Community Services, which is responsible for licensing, looks for training in early childhood education at a post secondary institution.

Prince Edward Island: The Child Care Facilities Board includes seven members representing the Department of Health and Social Services, the Department of Education, the Early Childhood Association, the general public and one public officer. It certifies staff, sets staff qualification requirements and advises the Department of Health and Social Services regarding standards.

Newfoundland: The Day Care and Homemaker Services Licensing Board has seven members including the director of Day Care and Homemaker Services, the director of child welfare, representatives from Rehabilitation and Recreation, Department of Education and the Department of Health. It is responsible to license programs, certify staff and set qualifications for staff training.

Yukon/NWT: Since there are no requirements for staff qualifications, monitoring agencies do not include this in their mandate.

The Canadian Child Day Care Federation (1991) has initiated a discussion on issues for post-secondary training and education programs. It has suggested possible core content and indicators of quality for delivery of core content in early childhood teacher preparation programs.
FUTURE DIRECTIONS

A discussion of the future of staff working in child care settings begins with a prediction of three broad directions for the child care sector:

1. Regulated child care programs will continue to expand to support the labour market.

2. Early childhood education opportunities will gain recognition as one important strategy to improve education outcomes and literacy.

3. An early childhood care and education system will begin to take shape that is publicly funded and accountable.

Improving Salaries

Child care operations are based on fee-for-service with staff costs accounting for 75-90 percent of a program's budget. Herein lies the contradiction between quality programming and affordability. Any improvements to salaries bring an increase in parent fees.

In many provinces, small direct grants are available to regulated programs. However, this funding is not enough to significantly alter the low salary and benefit scenario. There must be a shift to public funding of child care programs. Parents could still be asked to make a contribution based on family income but increased public funds would ensure basic costs were met. Ontario is one jurisdiction which has taken steps to introduce pay equity legislation covering child care workers. The legislation is inadequate, largely because it does not stipulate that pay equity for this sector must be achieved within a reasonable time frame. However, the proposed legislation does extend coverage to female workplaces and provides 100 percent public funding to address wage inequities.

Unionization of child care staff applies pressure to improve salaries and benefits. Because improvements are often not possible within the current user fee system, unionization applies further pressure to create a funded child care system.

Qualification Requirements

Child care legislation and regulations and post-secondary education programs are within provincial and territorial jurisdiction. A new national child care program should respect provincial and territorial jurisdiction in establishing specific staffing requirements. At the same time, national standards can provide a policy framework to support a national child care system which meets the needs of children, families and Canadian society.
National standards for child care programs should ensure high quality care provided by trained staff in a regulated, non-profit setting. Quality would best be ensured through national standards stipulating minimum staff qualification requirements. However, specific training requirements, staff-child ratios and the physical environment should be determined within each province or territory, based on regional needs and the best available child development knowledge.

Qualifications for child care staff must reflect the diversity of child care services offered, the age range of children using the services, the continuum of individual children’s abilities, and the growing multi-cultural, multi-lingual nature of Canadian society.

It is essential that aboriginal communities be encouraged to define their own child care needs, including appropriate staff qualifications.

**Standards and Integration of Early Childhood Education Training Programs**

Early childhood education training programs should be designed to create opportunities for further education and career options.

The historical split between education and child care is artificial and ineffective. As the child care and education sectors coordinate and sometimes begin to merge programs for children and families, the training programs must also be coordinated. Training programs for primary grade school teachers and child care staff should work together to build a common base so individuals may more easily move back and forth between education and child care programs. A common training base would also bring child care and school programs closer together.

Early childhood education training programs across provincial and territorial jurisdictions should offer similar course content and field practicum approaches. The current two year early childhood education programs do provide similar subject areas and a general commitment to field practicum experiences.

However, it is often difficult for individuals with two-year early childhood education diplomas or certificates to receive any recognition towards additional formal education. The creation of bridges between early childhood education training programs and teacher training and other university degree programs would create career ladders and increased opportunities for child care staff.
Ensuring Accountability

Practitioners and experts agree that staff in child care programs are critical to quality programs that promote healthy child development. There is also considerable agreement that education in child development specific courses and experience contribute to improved staff performance.

Therefore, a quality system of child care must establish and monitor staff qualifications and the training programs that grant the recognized qualifications. This can include entry level and experienced staff and pre-service and in-service training programs.

But who should be the gatekeeper to the child care field or profession? Government, through legislation and licensing, can determine both the content of training programs and assume responsibility for on-going monitoring. Governments can create special purpose bodies that include representatives from the child care community. Or, provincial and territorial professional organizations can be granted legislative recognition to assume some or all of these functions.

SUMMARY

This paper is only a beginning to a national discussion on human resources in child care. The conclusion is incomplete. Together, child care advocates can explore future directions and the role of unions, professional organizations and educational institutions. Reaching an understanding on these issues will further assist us in reaching our goal of a universally accessible, high quality, not for profit, system of child care serving all of Canada’s children and their families.

Jane Bertrand is the past President of the Ontario Coalition for Better Child Care. She is the author of Child Care Management Guide: A Comprehensive Resource for Board of Directors and Child Care Unions and Employers and she is an instructor of early childhood education at George Brown College in Toronto.
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Chapter 6

Our Agenda for the Nineties: The Importance of a National Child Care Strategy to Women's Equality

Monica Townson

100 Introduction
100 Children: An Investment in the Future
101 Economic Consequences of Childbearing
102 Child Care and Economic Policy
103 Can We Afford It?
Introduction

Child care is an essential component of equality and social justice and a necessary prerequisite in job creation, economic renewal and growth. A national child care strategy is also essential if we are truly committed to the equality of women.

The other day, I got a call from a producer at the TV Ontario program Work Week. They were going to do a show on maternity leave, he said. And he wanted me on the program to argue that the government should subsidize business to hire women of childbearing age. After all, he said, they keep quitting to have babies and business just can't afford to hire them anymore.

What shocked me most about this, was the total lack of understanding on the part of this TV producer of the importance of women of child bearing age in the paid work force.

Children: An Investment in the Future

If we assume childbearing age to be 25-44, women in this age group account for 56 percent of the total female work force and 25 percent of the entire Canadian labour force. These are the women who will bear the next generation of Canadians. There are 3.5-million women in this age group in the work force. It is their children who will pay our pensions, and their children who will work to contribute to economic growth and the production of goods and services that will ensure a decent standard of living for the rest of us in old age.

Canada's children are an invaluable resource. It is therefore in the interests of all of us that we recognize the essential contribution that women who have children make to the well-being of us all and society as a whole.

The lack of decent affordable child care services actually penalizes women with children. From the public policy point of view, we are stuck in the mind set that views having children as a private choice, and takes the position that anyone who chooses to have children should bear the consequences. For most women, this is a heavy price to pay. In a society supposedly committed to women's equality, its an unacceptable position.

More than three-quarters of all women of child bearing age are in the paid work force, and 81 percent of women in the age group 35-44 are working outside their homes. We should not forget that the economy relies on their labour. If they were forced to go back to their homes, its safe to say our banks, hospitals, schools, department stores and offices would no longer be able to function. The incomes these women earn are essential to providing for their families. Without them, many more families would be living in poverty.
Economic Consequences of Child Bearing

What happens to these women when society fails to provide them with accessible, affordable quality child care?

Some of those women have to drop out of the work force when they have a child because affordable child care is not available. Their family suffers an immediate loss of income. But for the woman herself, there are more serious long-term consequences:

Her career development is put on hold and she may never catch up again, even if she's able to return to work later when the child is in school;

That interruption will affect her lifetime earnings, so that when she gets to retirement, her Canada Pension Plan or Quebec Pension Plan benefit will be lower than it would otherwise;

And if she's lucky enough to have an employer-sponsored pension at work the interruption of earnings may mean she won't get a pension at the end, or she can't afford to return to that employer because she won't be able to afford to make up the pension contributions she missed while she was away.

The majority of women, however, don't take time out of the work force when they have children - except for a brief period of maternity leave.

In 1991, 64 percent of mothers with pre-school children were in the paid work force. In fact, 62 percent of mothers with children under the age of three worked outside their homes - and most of them had full-time jobs.

The lack of child care services has different consequences for these women. Because there are so few licenced child care spaces, 88 percent of these families must rely on unlicensed, informal child care arrangements that do not have to meet any standards and may not be very reliable.

If you can't count on your child care arrangements, there'll be consequences too. Unreliable and unsatisfactory child care arrangements will mean more time off and absenteeism. It will mean high stress levels because you are worried about the standard of care your child is getting.

Without any policies for family responsibility leave - which I regard as an essential element in a national child care strategy - women who must take time off to deal with a sick child or a failure in their informal child care arrangements, generally have to use up their own sick leave or vacation time. The result is that a woman who is already doing double duty as a paid worker in the labour force and an unpaid worker in the home, ends up with less personal sick leave and less vacation time for herself than her co-workers who don't have children.
Apart from the impact of this on the health of women, there can be financial or economic consequences too. Where juggling work and family creates such stress and difficulty, many women stay in low-paying jobs with no prospects and no job security because they just don’t have the time or energy to cope with anything else. That forced choice will also have negative impact on women’s long-term economic well being.

Even if she has the time or the energy to upgrade her skills or take further education or training, a woman may not be able to do so because quality child care is not available.

The lack of child care forces some women to work part-time while their children are young or to share jobs. I know that job-sharing is often advocated as a way of dealing with the child care crisis, but we shouldn't forget that - just like part-time work - it involves a financial penalty for a parent with children. While some women may welcome the job-sharing or part-time work because it gives them an opportunity to spend time with their children, only some families are able to afford that choice. A fairer option would be a national child care strategy that includes a variety of paid parental leaves and options, such as shorter working hours with no loss of pay for parents with young children.

If we are concerned about equality for women, we have to explore options that will not impose a financial penalty for childbearing. Such a penalty has immediate consequences in loss of income for a parent - usually a mother - with a young child. But it also results in long-term financial consequences - particularity in the ability of women to build up retirement savings to support themselves in old age. The high rates of poverty in elderly women illustrate this. The lack of a national child care strategy - one that includes a variety of paid parental leaves, including leave for employees with family responsibilities - condemns women to an inferior economic status in our society. If we are really committed to the equality of women, we can’t allow this situation to continue.

Child Care and Economic Policy

It doesn’t make sense from the point of view of economic policy either. Most economists would argue that child care is a matter for social policy and has nothing to do with economic policy. This couldn't be further from the truth.

These same economists are constantly telling us how important it is to invest in our human resources; how a highly skilled work force will be the key to our competitiveness in a global economy; and how important training will be to the economy of the nineties.

How will women take advantage of these opportunities if there is no reliable, affordable child care? Women account for 45 percent of our work force. If we don’t acknowledge the importance of child care and parental leave policies to this huge segment of the work force, our economic policies and our ability to compete will be seriously hampered.
Its even in the interests of the private sector to acknowledge this too. Employers there are gradually coming around to the realization that lack of decent child care and family leave policies is affecting that famous bottom line that is important to them. It is costing employers money - in high rates of absenteeism, in high job turnover and in reduced productivity.

A national child care strategy would benefit employers too - and there may even be some of them who are ready to admit it.

But it would also benefit the children - the workers of the future. The studies show clearly the benefits to children of good quality child care and the importance of early childhood education to the subsequent development of individuals into healthy, well-adjusted citizens who contribute effectively to society. Those studies also show the negative consequences of poor quality child care on the future development of individuals.

After all, if investment in human resources is the key to our success - as the economists tell us that it will be - dont we need to start thinking about investment in our children? Their early childhood development will determine what kind of human resources Canada has as we enter the next century.

Can We Afford It?

Can we afford it? We always have to contend with the naysayers who argue that in times like these, we can't afford equality, or that an economic recession is not the time to be talking about expensive social programs.

But it seems we can still afford to spend about $12-billion a year on defence - in this post-cold-war era; we can afford to spend something like $10-billion a year in tax breaks to the higher-income earners who contribute to pension plans and RRSPs; we can afford to spend billions of dollars a year in tax breaks to investors.

My estimate of the net cost a national, publicly funded child care program, a few years ago, put it at less than half of what we spend on defence, and probably only a third of what we spend in tax subsidies to investors and people who contribute to pension plans and RRSPs. We could afford a publicly-funded national child care system if we chose to make it a priority. Moving towards that publicly-funded system must be the core of our national child care strategy.

A national child care strategy is essential if we want our economic policy to be successful. And its essential if women are ever to achieve equality in our society.

A national child care strategy must be the top priority for our agenda for the nineties.

Monica Townson is an economic consultant based in Ottawa and Toronto.
Work and Family on the Business Agenda:
The Experience at Ontario Hydro

Kim Taylor

105 Introduction
106 Workplace Child Care
107 Creating Cultural Change
108 Complementary Government Programs
While it is true employer's interest in work-family issues appears to be growing, the growth is painfully slow, inconsistent, tenuous and painful. This applies not only to differences from company to company but understanding and growth within individual organizations.

In 1984, Ontario Hydro consciously chose to get directly involved in child care. That choice has helped define our position as a family-friendly employer. But that doesn't mean that we haven't struggled to further define and live up to our role.

This paper will provide you with a quick overview of our organization and what our experiences have been in the area of child care and other work and family issues.

Ontario Hydro is a province-wide electric utility with over 100 work sites across Ontario and over 22,500 regular employees. Approximately 22 percent of our workforce is women. The majority of employees are represented by the Canadian Union of Public Employees, Local 1000; management and professional employees are represented by The Society.

Some might think it strange that an organization with relatively few women would see the need to be responsive to work and family issues. But it was because we had so few that we started to pay attention to what we could do to attract more women, while keeping the ones we already employed.

Demographics clearly show women as an increasingly important pool of talent. In addition, our workers were beginning to provide us with more and more indications of how their values and priorities were changing. They are still changing. I'd like to think we are better prepared to listen and respond than we once were.

I must tell you that in the "Before Child Care" years, many people had dire predictions of the wrack and ruin that result of our acknowledging and addressing workers' family responsibilities. They had visions – that they were more than willing to share – of children tearing up
and down the halls, ruining meetings, and otherwise jeopardizing the business atmosphere. In short, life as we knew it – and loved it (!!??) – at Hydro would come to a crashing end.

**Workplace Child Care**

Now some years later we have a spectrum of policies and programs that help our workers manage their family responsibilities. Our first step – the step that led us into other areas – was the provision of workplace child care. In 1985 we opened our first Centre at our Head Office in downtown Toronto. Now we have four different Centres in operation, each with its own character and management structure.

To qualify for Hydro's support (which consists primarily of contributions to capital costs and ongoing support in the form of occupancy costs – heat, light, maintenance and cleaning), proposed child care facilities must:

- be non-profit and provide for a high degree of parent involvement;
- be self-sustaining after capital costs are met; the company does not subsidize parent fees or provide other operating grants;
- give Hydro employees a priority in the admission policy but the centres are not be exclusively for our staff;
- be accessible to people in all jobs, at all levels (with day care costs being what they are, this has been one of our toughest challenges. We haven't yet been able to satisfactorily address the needs of shift workers, although one of our centres is to have a home daycare component that might help);
- pay close attention to potential impacts on the local community, particularly in terms of fees and salaries.

All our existing centres are a result of employee initiatives and are run by parent boards. Some of our centres are co-operative ventures or partnerships but Ontario Hydro does not manage child care facilities.

In other program areas, we've tried parenting courses and offer video and print resources for parents through our Employment Equity resource centre.

Insofar as policies are concerned, we have special accommodation for pregnant workers (aimed mainly at women working in trades and technical jobs); maternity, paternity and adoption leaves; a variety of alternative work arrangements including job sharing, reduced hours of work and leaves of absence.
Creating Cultural Change

But in rhyming off these policies and programs, I want to emphasize that the true measure of a company's family-friendly nature is not the number of programs and policies in place. Instead, the measure is attitude and what happens to the people in the organization – do they seek to use the policies and programs and what takes place when they do? Have we truly created a responsive, respectful workplace and not just a series of responsive, respectful programs? And looking at the bigger picture, are we helping create a responsive, respectful society?

We are doing some things right, but we have to grow with the concept and not get stuck in the organizational cement that allows program development but not cultural change.

To help effect our culture change, we went to our people to find out their needs and what they thought we were doing well – and not so well. From all parts of the province, all different kinds of jobs and work situations, backgrounds and life circumstances, people contributed to our information-gathering. They participated in focus groups, they wrote us letters, they called us up.

What we got back was interesting. As we had anticipated, people didn't necessarily want more policies and programs (although there were some definite ideas expressed). What they felt would be more significant was the creation of a truly supportive culture. In fact, both managers and employees felt that this culture was going to be absolutely essential to productivity. Now this P word is a word that very much makes senior management's ears perk up.

We know what we need to have a happy, productive workforce; workers need more time and flexibility. They need to be trusted to manage their work time and family responsibilities in order to achieve the best results in both areas. They need to be able to talk honestly and openly about their competing responsibilities; in short, family issues must be legitimized in the workplace.

To get to this, what are some of the specific things needed? First and foremost, we need education and training for everyone – supervisors and employees – education and training that will empower individuals and promote joint problem-solving. We do need enhancement of our child care; however workplace child care does not suit everyone nor can we make it broadly available. Shifting work patterns and the requirements to travel or work long hours will also require some reworking of attitudes and systems. We need a family responsibility leave policy very badly (probably the single largest gap in our supports, employees tell us. No surprise!). We need to somehow address eldercare responsibilities and family relocations. We need more alternative work arrangements – more people legitimately using them and more options.
As an organization, we must go beyond our walls to partnerships in the community and networking with others in pushing for broader change. Organizational change will be facilitated and enhanced by change on a larger scale. That means participating in whatever consultation processes there are – and when there aren’t processes, letting the powers that be know what we need and want them! Not only do we try to do this as an organization but we encourage individuals and ad hoc groups to take action as well.

Complementary Government Programs

To sum up the role of business then, we can help employees achieve balance and satisfaction in their professional lives. But we see ourselves as complementing government programs – and ideally a comprehensive system – not filling voids.

We are in a good position to help identify to policy makers what the needs and direction should be. We can be a catalyst and an agent for change. But we do need guidance and support in this area because it isn’t part of our every day business. Speaking of our everyday business, the very fact that it is becoming increasingly difficult – what with economic constraints, changing leadership, political whim, etc. – makes efforts in the area of work and family even more imperative and challenging.

Many things can hold us back but we don’t want to (indeed can’t afford to) let them. So how can we mainstream the issue and keep it in the agenda?

In cooperation with our unions and other employee groups, we have an obligation as an organization to keep on top of what our employee needs are – and, as best we can, try to anticipate what they will be. We can link work and family issues with other business objectives like continuous quality improvement, productivity and health and safety. In so doing, we can encourage a more integrated, humanistic approach to decision-making. I’ve already mentioned the importance of joint problem-solving and the move away from programmatic solutions to a more strategic, holistic approach.

But, quite frankly, employers can help all too few people. For the most part, only those fortunate enough to be in the employ of a responsive employer (at a time when they most need the responsiveness) can benefit. Clearly, this is not enough.

In the interests of achieving a comprehensive spectrum of child care choices and supports that are accessible and affordable, we as employers should be directing energy to effecting broader change. Success within our walls is tenuous and diminished without success on this broader, more far-reaching scale.

Recognizing and picking up the challenges of social responsibility – not to mention trying to shape public policy – may not sit comfortably with some businesses and industries. I encourage employers to try ... even if its only a matter of a few tentative baby steps at first. I encourage those of you who are in different roles as advocates to knock on our doors, guide us into this arena and
coach us on how we get there. As a company that's been involved and wants to stay involved, we see this kind of collaboration as not only energizing but essential.

These are the efforts of one organization to create a responsive, respectful work environment. But even a proliferation of family-friendly companies will not do the job. The truth is they cannot even start to do the job if they aren't operating in a family-friendly social and political environment – one that cares about and values children.

Kim Taylor is the Employment Equity Manager, Program Development and Support at Ontario Hydro.
Chapter 8

The Role of Private Community Based Non-profits in a National and Public System of Child Care

Colin Hughes

114 Introduction
114 Differences Between Public and Market Services
115 After the Revolution
116 A Closer Look at Private Non-profits
117 Regional and Local Planning
118 Conclusion
It is no secret that at the community level, child care looks like something that has happened rather than something that was planned, we see quite a variety of child care resources, settings and sponsors. It is a mixed bag of public, private non-profit, and commercial services; and informal arrangements.

The development of this mixed bag owes itself to many social and economic forces, but can be viewed largely as the result of child care straddling two different policy directions. These directions are the private market direction and the public service direction.

It is clear that the private market orientation, even when propped up through public subsidies, regulations and so on, has failed to deliver an adequate supply of good quality, comprehensive, accessible and affordable child care. So we continue to have a crisis in child care. The only viable direction is that of child care as a public service. But what are the implications for the structure and management of service delivery at the community level if we pursued a national public service direction in child care?

To answer that question lets look at a few of the features of public services. Then let us assume that a revolution has occurred in the House of Commons and in the Provincial Legislatures across Canada. We will assume that they are desperate to fund and build a national and public system of child care, but simply can’t figure out what that might mean at the community level.

Differences Between Public and Market Services

Public services tend to be different from the business activities of private markets in at least two ways.

First, funds are largely raised through taxes and used to maximize public benefits valued, defined and owned by the public; and funding is directed toward in this activity. The process of defining and maximizing a public benefit is democratically controlled and is a non-profit activity. In contrast, the commercial activities of the market involve private funds for benefits that are privately defined and controlled. Commercial activities are directed towards making a profit.
Second, businesses distribute their goods and services through the market, (that is, those who want and can afford them at a particular price). Access to goods and services depends very much on an individual’s income, and quality is largely seen as a private responsibility, (buyer beware). In contrast the public services can make selected goods and services (for example, child care) broadly accessible to the community for the common good. Public services can redistribute resources to ensure greater equity.

Greater equity is achieved through redistribution by reducing disparities in the share of resources and by sharing various contingencies in life. For example, the redistributive impact of public programs and services can result in a net transfer of wealth and resources from upper to lower income groups. They can also, for example, redistribute from those without children to those with children and thereby recognize the extraordinary importance, costs, and responsibility of raising children.

It is virtually impossible to say how child care should be run and by whom locally without deciding how it is funded. In a public system, it would be largely funded through the tax base. In a market system it would be largely funded through a price mechanism such as parental user fees for service.

For the purpose of discussion, let us assume that the revolution included a decision to fund a national child care system through the most progressive tax bases: federal and provincial taxes. In doing so there is greater equity because the child care services used by all income groups are mainly paid for through a progressive tax system (that is, the higher your income, the higher your taxes). There is also greater equity because taxes from those without children, or from those whose children have grown up, are used to help pay for the services and reduce the present costs to adults raising the next generation of children.

After the "revolution"

So what happens after the revolution and a federal and provincial decision to publicly fund child care? Because both the federal and provincial governments are politically accountable for how and on what they spend we can assume that along with government funding comes a much stronger government presence in terms of accountability for the planning and for the standards of child care services. Where does this leave the mixed bag of services in the community?

There are two broad options. The first is for the state, probably the province, to directly plan and run child care services. This would be an enormous step. The second and more likely option is for the state to share the planning and delivery of child care with other community organizations. But these organizations must be structured and operate in a way that is consistent with the features of a public service.
There are at least two problems. First the public planning of child care is fairly limited. The distribution of child care to date has largely been determined by market principles, though augmented with some public funding and planning. How will national and provincial funding and planning dovetail with regional and local planning when in the past there has been little of either?

The second problem is that child care is delivered through a peculiar hybrid of market and public oriented services. The implications for the structure and management of publicly funded services at the community level is that those organizations would be able to relate to senior levels of government; be publicly and democratically controlled; and be non-profit. School boards, municipalities and regional governments are the most public of local organizations. They could have the least difficulty adapting. Commercial child care and the informal sector are largely market oriented and private. They are the least public and would need to adapt a good deal. Non-profit organizations with community based boards are near public, and possess a unique history and role in terms of the delivery of public services. Let’s take a closer look at private non-profits.

A Closer Look At Private Non-Profits

The types of private non-profits and their functions today are many and varied. Foundations, charities, social planning councils, child welfare organizations, non-profit and cooperative housing, settlement houses, universities, advocacy groups, hospitals, community health centres, legal clinics, and of course child care programs, are some of the many types of community based non-profit organizations. Though some of these organizations are funded privately, many are government funded and regulated, but not government operated.

"Community based private social welfare organizations emerged in force in Canada at the turn of the century..." and prior to the emergence of the welfare state later on in the 20th century. There were conservative, progressive and radical constituencies within this turn of the century movement. For example, Toronto's Associated Charities, founded in the 1880s, was modelled on London's Charity Organization Society and were advocates of the noblesse oblige imperative. They warned the wealthy to provide for the poor or they would rise up and seize their wealth. They viewed charity as way of preventing state intervention.

On the other hand, other organizations emerged with much different views of the role of the state and voluntary organizations. This period is noted for the rise of middle class professions in education, nursing and social work. The entrance of these ambitious professions stimulated social reform and a more specialized, knowledge based and systematic interest in the programs and communities served. Other organizations, such as the Settlements, worked at community organizing and promoting citizen participation and democracy. They were active in lobbying for major policy schemes such as unemployment insurance and mothers' allowances. At the same time, through their organizations the community was kept close to social welfare needs and planning.
All of these elements remain in the non-profit private sector today. Some organizations are quite conservative and have a charitable orientation, while others promote democratic community involvement, social action, innovative service delivery, policy advocacy and policy development. It is worth noting that non-profit organizations are also held relatively in high regard by Canadians. They are seen as being well run and their honesty and ethical standards are rated highly.

One of the unsung successes of many private non-profit child care organizations has been the development of parent majority boards of directors, or parent advisory groups in programs sponsored by other non-profit organizations. In addition to promoting citizen participation, this practice is important to:

- enabling parents' participation in their children's upbringing;
- making services directly accountable to a parent majority; and,
- reflecting the needs and wishes of diverse communities and neighbourhoods.

The accomplishment of greater service user control over service delivery is one that should be taken notice of by other community based organizations. In any event, many private non-profit child care organizations could easily become part of a public system because they are democratically run, non-profit, and, there is plenty of precedence in terms of other sectors. They may not be as public as schools and municipalities, however, to the extent they reflect the community and involve parents specifically around child care, they are closer to the community and that particular interest.

Regional and Local Planning

How will national and provincial funding and planning dovetail with regional and local planning? If national and provincial funds are used, then all local organizations (municipalities, school boards, non-profit organizations) will be transfer payment organizations. Regional and local planning mechanisms and decisions must relate to senior level government directions and accountability. It will be incumbent upon senior levels of government to provide a framework within which regional and local planning can occur.

Private non-profit organizations generally do not serve entire regions, whereas municipalities and school boards generally do. Non-profit groups tend to be neighbourhood based, multitudinous and isolated from one another. If they are to play a role in planned and accountable service delivery at a broader level, then resources will be required to organize them on a sector wide basis. A mechanism developed to address the local planning and delivery process may need to accommodate many players, which could seem awkward. However, the grass roots democracy and advocacy for which many private non-profits are known would enrich a process that, before the revolution, was left to market principles propped up by government.
Conclusion

Following the revolutionary decision at the national and provincial level to fund and build a national and public system of child care, we can assume that local service delivery will require drastic change. Child care programs must be as public or near public as possible. Greater cooperation and accountability for the planning and delivery of child care will be required of senior and lower levels of government, and, of non-profit organizations.

Endnotes

For Discussion of these themes see:


Sutherland, N. Children In English-Canadian Society Toronto: University of Toronto Press,1982.

Colin Hughes is a community development worker at the Children's Aid Society of Metropolitan Toronto. He is an executive member of the Ontario Coalition for Better Child Care.
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