

TORONTO STAFF REPORT

September 20, 2005

To: Community Services Committee
From: General Manager of Children's Services
Subject: Impact of Child Care on Child Outcomes

Purpose:

This report provides an overview of various types of child care services and the associated outcomes.

Recommendations:

It is recommended that this report be received for information.

Background:

At its meeting of July 19, 20, 21 and 26, 2005, Council directed the General Manager, Children's Services to prepare a report on the outcomes of various child care delivery, e.g. private, public, high wage, low wage.

Regulated child care is defined under the provincial legislation of the Day Nurseries Act as: *“a premise that receives more than five children who are not of common parentage, primarily for the purpose of providing temporary care, or guidance, or both temporary care and guidance, for a continuous period not exceeding twenty-four hours.”*

Historically, child care has been provided through a mixed model of regulated and unregulated child care. Licensed care is offered in centre-based and home-based settings, while unregulated care is typically offered in private family homes. Ontario provides a regulated space for just over 10 per cent of the children under the age of 12 years (Friendly, 2005).

Licensed care is operated under three types of auspices: Non-profit, Commercial and Public.

Non-profit child care is incorporated under provincial legislation, as stated above, which further specifies requirements, such as group size, staff qualifications, nutrition, behaviour management and record-keeping etc., for non-profit operation in both group and home settings. Non-profit child care centres are commonly run by community volunteers who form a board of directors.

Commercial or for-profit child care services are privately run businesses operated by individuals, partnerships or corporations.

Public child care is directly operated by a public entity, in this case the City of Toronto. Publicly operated programs are usually considered to be part of the non-profit system.

Licensed home child care providers are associated with either a non-profit or commercial home child care agency.

The regulated child care system in Toronto provides approximately 52,000 spaces for 378,925 children under the age of 13 yrs (13 ½ per cent). These spaces are delivered through 845 licensed child care programs and 22 home child care agencies. 70 per cent of these programs are non-profit, 24 per cent are commercial and 6 per cent are public (Toronto Child Care Service Plan 2005-2009). Appendix 1 outlines the mixture of services.

Comments:

Child care is central to providing support to children and their families. Parents today use child care to support their participation in the workforce, to pursue education or training and to balance work and family responsibilities.

The national average of women with children under the age of 12 years in the workforce is 70 per cent. However, in Ontario the average is 75 per cent (Friendly, 2005).

A growing number of parents view child care as a way to strengthen the foundation of life long learning and a vehicle to enhance their child's early education. Learning is a dynamic process and is most effective when it begins at a young age and continues through adulthood (Heckman, 2000). Child Care is often the setting in which children first learn to interact with other children, interact with children from other cultures or with different abilities, establish bonds with adults other than their parents, and receive language stimulation outside the family context.

It is commonly accepted that child care has a long lasting impact on children's learning, behaviour and health. There is a lot at stake if children are not in quality settings, wherever they spend their days. Research findings point overwhelmingly to “quality” in their daily environment as the biggest predictor of positive outcomes for children. An example of a positive outcome is school readiness. Children who are ready to learn when they start school are more likely to complete school, find employment and make positive contributions to society (Hertzman and Keating, 1999).

While some research does exist outlining negative impacts of non-parental care, such as increased aggressive behaviour and attachment concerns (i.e. Belsky, J. (1988). “The effects of infant day care reconsidered.” *Early Childhood Research Quarterly*, 3(3), 235-272. Belsky, J. (1991). “Consequences of child care for children's development: A deconstructivist view.” In A. Booth (Ed.), *Child care in the 1990's: Trends and consequences* (pp. 83-94). New Jersey: LEA Publishers. Belsky, J. (2001). “Developmental risk (still) associated with early child care.” *Journal of Child Psychology and Psychiatry*, 42, 845-860.) we now have a large number of substantial studies carried out over the past 25 years that show that good child care is good for children, especially those who may be at risk for social or economic reasons.

Most notably, a large study currently being conducted by the National Institute for Child Health and Development (NICHD) has found that good quality non-parental care positively impacts virtually all developmental areas and outcomes for children. In fact, the study found that the higher the quality of care received, the better children did on all outcome measures including cognitive functioning and language development. It should be noted that the NICHD study indicates some negative effects on school-readiness for children who enrolled in child care during their first year; however, the effects were smaller or equal to those of having an older sibling or being a male child.

If “quality” is the biggest predictor of positive outcomes for children, what are the characteristics of quality care? *The Child Care Resource and Research Unit* at the University of Toronto, using research results from the last 25 years, identifies the following as characteristics of quality:

- decent wages and working conditions (including support and resources)
- high adult to child ratios
- stable and consistent care giving
- small group size
- staff/caregivers well-trained in early childhood education
- adequate health, safety and physical environments precautions

Although home child care is a very distinct service, it shares similar characteristics with centre-based child care when defining quality. Quality in home child care is dependant on (Doherty, 1995):

- group size
- adult to child ratios
- overall education and training of the provider
- access to support services

Research points to three main factors that promote quality in childcare: regulation, auspices and funding.

Regulations

Regulations ensure minimum legislated standards, monitoring and enforcement. Better regulations result in better staff:child ratios, more and better trained staff, lower staff turnover and more developmentally appropriate staff:child interactions (Doherty, 1995).

Regulated /licensed child care is offered in child care centres and in regulated family home child care settings where the provider is licensed and affiliated with a home child care agency.

The Organization for Economic Co-operation and Development (OECD) states in it's report *Starting Strong: Early Childhood Education and Care*, that quality inspection and monitoring are essential to ensuring that services are in compliance with regulations . Since 1987, the City of Toronto has required child care operators with a purchase of service agreement to use the Children's Services *Child Care Operating Criteria* as an externally-validated self-evaluation

tool. The *Operating Criteria* assess quality and compliance in addition to encouraging ongoing reflective practice and improvement.

Auspices

Child care operated under the auspice of non-profit/public has been shown to consistently deliver better staff:child ratios, lower staff turnover, better trained staff, care giving that is more sensitive and developmentally appropriate and most significantly, better wages and working conditions. *You Bet I Care!*, a large, systematic, multi-jurisdictional study examining quality in Canadian child care found one of the most significant predictors of quality was the level of wages paid to staff. Low wages were associated with child care provider behaviour that failed to support or interfered with child development. Low wages were also associated with high staff turnover, which creates instability for children, contributing to inconsistency in staff:child interaction and curriculum and program.

Gordon Cleveland and Michael Krasinsky, economists from the University of Toronto, explored the differences between the non-profit and commercial programs in *The Quality Gap: A study of non-profit and commercial child care centres in Canada (2004)*. They concluded that there was a substantial difference in the quality of commercial and non-profit programs, with non-profit programs scoring over 10 per cent higher in all areas of the quality measure used in the study. Cleveland and Krasinsky found that teachers in non-profit programs were more likely to have higher salaries than their peers in commercial programs. Education levels of teachers and directors were more likely to be higher (post-college or university training), the number of children cared for by each staff member was lower (ratios) as was staff turnover.

This new research confirms findings from *"Who cares? The National Child Care Staffing Study* (Whitebook et al, 1989) which in addition to establishing that quality child care was beneficial for children, also found substantial differences in quality between commercial and non-profit programs.

Funding

Funding and quality are intrinsically linked. Research confirms that staff:child ratios, staff training, wages and benefits, staff turnover and staff:child interactions are all tied directly to funding. Most families cannot afford to pay the full cost of high quality child care; therefore, it is necessary for government to play a central role in the financing of quality child care.

Investment in child care is not solely an expense. In addition to ensuring that children have a good day-to-day experience where they are safe and nurtured, quality child care produces two substantial returns: productivity of the parents who are freed to enter and participate in the workforce, and the future productivity of the children who receive quality child care and early learning experiences (Cleveland and Krasinsky, 1998).

Non-profit programs do have greater access to resources such as government grants etc; however, research shows that even when you statistically level the funding playing field, commercial programs maintain lower quality ratings because they continue to pay lower wages and hire staff with lower levels of education (Doherty, Friendly and Forer 2002). However, there are differences within the commercial part of the child care sector. The quality of care offered in

commercial programs operated by an individual (as opposed to those operated by commercial chains), while still lower, most closely resemble that of non-profit child care (Cleveland and Krasinsky, 2004).

Conclusions:

Research clearly shows that high-quality child care supports good outcomes for children. It supports the premise that quality is best in licensed, regulated child care settings. In addition, research carried out comparing non-profit/public child care with that offered by commercial operators shows that the non-profit/public part of the sector has higher quality and is best able to provide settings that will result in the best outcomes for children.

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Attachment:

Appendix 1