

The Quality Issues in For-Profit, Nonprofit, and Municipal Child Care

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Summary:

- 1. Quality Matters**
- 2. Municipal Centres provide best quality
Nonprofits tend to beat For-profits in
quality**
- 3. Theory and Practice reinforce each other**
- 4. Careful monitoring of quality is critical if
you use for-profits**
- 5. Large chains operations pose special
problems**

Theory:

1. We all “contract out” most of the things we need to for-profit corporations (so profit itself is not a dirty word).
2. Contracting out works well when we can judge quality at low cost (easily specify quality in contracts and monitor the performance of suppliers).
3. Child care quality is hard (expensive) to monitor.
4. Corporate care is harder to monitor in some ways than small independent for-profits.
5. When monitoring is hard, we often do it ourselves (municipal care) or rely on nonprofits.

Some Data:

1. 1986 Consultants Study (47 consultants, 927 Centres):

<u>Quality</u>	<u>Municipal</u>	<u>Nonprofit</u>	<u>For-Profit</u>	
			<u>Indep</u>	<u>Chain</u>
Very Poor	0	2	6	0
Poor	2	9	19	15
Adequate	18	40	43	56
Good	46	33	22	29
Excellent	34	17	10	0
“Average”	4.12	3.53	3.11	3.14

Note: reported as column percentages

2. 1998 “You Bet I Care!” (YBIC) Study (234 Centres, 325 classrooms, on site observations, 6 provinces {incl Ont} and 1 territory, ITERS & ECERS-R scores)

<u>Quality</u>	<u>Nonprofit</u>	<u>Commercial</u>
1. Inadequate (low)	3 (1%)	2 (2%)
2. Inadequate (high)	10 (4%)	9 (10%)
3. Mediocre (low)	50 (22%)	25 (27%)
4. Mediocre (high)	70 (30%)	33 (35%)
5. Good (low)	73 (31%)	20 (22%)
6. Good (high)	26 (11%)	4 (4%)
Total	232	93