

Annual Report 2007 - 2008

Message from the Chair

Our year began, on April 1 2007, with the termination of \$1.2 billion in annual federal funding to finally build a child care system. And, as I write to you now, a federal election is underway and parents, child care providers and community members across the country continue their efforts to highlight the child care needs of children, women and families.

For over 25 years, the Child Care Advocacy Association of Canada (CCAAC) has been working for the right of all children to access a publicly funded, inclusive, quality, and non-profit child care system. We listen to and learn from parents, child care providers, community activists and researchers. We have a proven history of providing high-quality, relevant and timely research and analyses on child care policy. This past year has been no different as we celebrated the completion of two key projects and their accompanying final reports.

In the fall of 2007 we completed *Minding Our P's and Q's: Pedagogy, Policy and Quality*. This project supported a dialogue toward the establishment of a curriculum policy framework. The CCAAC reviewed the research on curriculum issues in national policy making and organized discussions across sectors to identify common values and early childhood education goals.

We are pleased to share the findings of this project through the final report entitled, *The Best of All Worlds: A Community Vision for Early Learning and Child Care in Canada*. This project highlights the learnings from other countries that are already well down the path of implementing a coordinated system of early learning and child care services based on a clear vision for young children and families. The report states that:

"Canadians are fed up with the patchwork of fragmented services and expressed a clear desire to develop a system that simultaneously meets all the goals for early learning and child care [...] We can do better – **in fact, we can have the best of all worlds** [...] A comprehensive, holistic vision does not specify where the child is, but rather that wherever the child is – at home or in the community – their experiences support healthy child development while parents are supported in all of their roles."

In the fall of 2007, we also completed a three year citizen engagement project, *Making the Connections: Child Care Policy (MTC)*, where we analyzed the federal, provincial and territorial (FPT) child care transfer

agreements. We worked to ensure that federal transfers to provinces and territories improved child care services, while we analyzed the potential for public reporting to provide effective accountability for those transfers.

In November 2007, we launched this project's final report *Making the Connections: Using Public Reporting to Track the Progress on Child Care Services in Canada*. In this report, we analyzed government's public reporting to see if the child care commitments under the FPT transfer agreements had been met. The report's authors concluded that, although several public reports showed some evidence of improvement trends for child care service quality and availability, few had clear public reporting that allowed the public to easily track progress. None met all of the requirements outlined in the FPT Agreements. Our experience in this project suggests that it is not practical for citizens to analyze public reporting on their own, and raises serious questions about sole reliance on this approach to accountability.

In issuing our report, we noted that this reliance on public reporting is particularly problematic given that the most recent federal transfer to provinces and territories – the 2007 child care space transfer – does not have any agreement in place to guide the public in assessing progress.

We gratefully acknowledge funding from the Government of Canada's Social Development Partnerships Program for these important projects.

Although the MTC project is now complete, we continue to promote 'accountability goalposts' for public investment with legislated standards, audits and a defined role for legislators - in addition to public reporting. Bill C303 – the Early Learning and Child Care Act – is an example of such a comprehensive approach to accountability. In 2007, the CCAAC provided expert testimony at hearings on Bill C303, which was supported by all opposition parties. We also appeared before numerous Senate and Parliamentary Committees, working to ensure that child care remained a high profile issue in the media and with the public.

Indeed, from Parliament Hill in Ottawa to child care programs and parent meetings in communities from coast to coast to coast, this year has been another full year of collaborative and on-the-ground advo-

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Child Care Advocates Respond to the Corporatization of Child Care

There is no place or space for profits in a publicly funded child care system. That's why the Child Care Advocacy Association of Canada insists that increased public funding is used to [expand public or non-profit child care programs](#).

Growing Concerns

In 2005, the child care advocacy community became aware of a growing international trend towards the corporatization of child care, with increased public funding for child care fuelling the growth of corporate child care chains. We invited Lynne Wannan, an Australian expert on community-based child care services, to meet with Canadians and talk about [her country's experience with corporate child care chains](#).

The growth of corporatized child care in Australia worried us, and we renewed our efforts to build a non-profit child care system. We collaborated with partners to obtain a [legal opinion](#) outlining the serious consequences of allowing multinational corporate child care to enter Canada. We reviewed the [overwhelming evidence](#) confirming that non-profit child care better meets the needs of children, women and families. Based on this research and our work in communities, we continued to call for limiting expansion to non-profit child care [in all of our policy recommendations to governments](#).

Corporatized Child Care Comes to Canada

By the fall of 2007, however, it became clear that multinational corporate child care had come to Canada through 123 global. [123 global](#) was previously known as ABC Acquisitions. Self-described as the "growth engine" of the Australian corporate child care giant ABC Developmental Learning Centres Pty Ltd. (ABC Learning), 123 global's key client in Canada is 123 Busy Beavers Learning Centres.



From Coalition of Child Care Advocates of BC public meeting, November 2007

Canada's federal government and many provincial and territorial governments condoned this development through their silence on this issue. In fact, four provinces – BC, Alberta, New Brunswick and Nova Scotia – now provide capital grants to commercial operators.

Across Canada communities have responded with real concern to the corporatization of child care. For example, advocates in Canada's western-most province are clear - BC Child Care is **NOT FOR SALE**. And the Ontario Coalition for Better Child Care is equally clear - *It's Time for Public Child Care*.

Ontario advocates called for the Ontario government to stop licensing commercial child care, in order to keep 123 Busy Beavers out of Ontario. As of September 2008, 123 Busy Beavers has only publicly listed centres in Alberta.

Earlier this spring, Code Blue and a range of social justice organizations and universities sponsored a tour with another Australian expert, Professor Deborah Brennan. Professor Brennan [described](#) the circumstances that gave rise to the corporatization of child care in Australia – circumstances which sound eerily familiar to us today. By providing more money directly to parents and stimulating the private sector, the Australian government promised that parents would have more child care choices, lower fees and higher quality—all with reduced public costs! Instead, public costs and parent fees have both grown sharply. There is downward pressure on quality regulations and parents continue to have limited choices.

Questions Raised

Questions about the activities and business dealings of Australia's largest child care corporation, ABC Learning, and its CEO Eddy Groves have been frequently raised in the media. In August 2008, the Australian Broadcasting Corporation televised its report "['Fast Eddy' leaves ABC Learning investors reeling.](#)"

BC Child Care -
NOT FOR SALE



Professor Deborah Brannan on her speaking tour during her stop in Ottawa at the Ottawa City Hall. Photos from CUPE

Professor Brennan was interviewed in this report, which also highlighted Canada’s child care advocacy community. The report noted that:

Before the new auditors lanced Mr Groves' burgeoning balloon, forcing a sale of assets, ABC was gluttonously gobbling up child care centres from the UK to America. Last year, Mr Jones' 1, 2, 3 Global companies began approaching child care centres across Canada, triggering a wave of protests. ABC Learning denied any involvement, but the Canadians didn't believe them.

Professor Brennan was flown to Canada to talk about ABC Learning in Australia. "It was a very strong activist and early childhood community in Canada that really wanted to ensure that public money is used for the benefit of children, and not for the growth of enormous private and corporate profits," she said.

"Canadians were asking me when I was over there 'How come you have designed a system that's allowed one individual to become the richest person in Australia under 40, and yet you have a system with poor quality standards, where 40 per cent of the staff have no qualifications whatsoever?'"

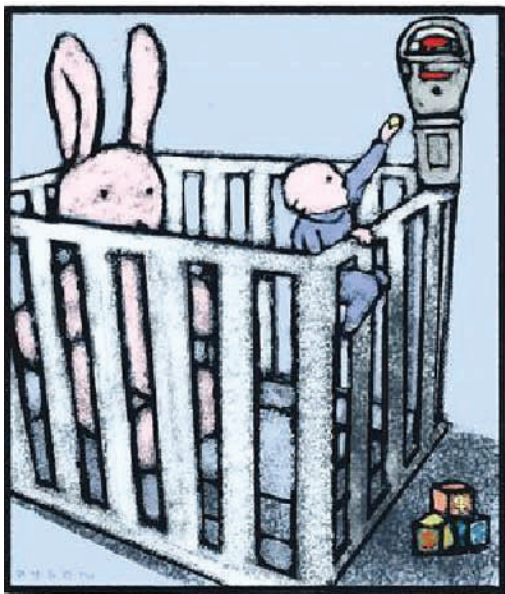
Professor Brennan also stated that “ABC Learning could be one of the most spectacular public policy disasters seen in recent time”.

Behind the Spin

Despite the warm, fuzzy words in their promotional materials, corporatized child care operates under a business model that prioritizes and requires profit-making. Behind the spin, it’s all about big bucks and “bums on highchairs”.

The story of ABC Learning highlights this discrepancy. ABC Learning’s web site states:

For over 18 years, ABC Learning Centres has made high quality early childhood education programs available to all families. It's our love for all children that has ensured our tireless commitment to providing them with the best possible start.



From “The Corporatization of Child Care in Australia: Not as easy as ABC,” by Professor Deborah Brennan

However, in its September 6 2008 article “[End of a fairytale](#)”, the Sydney Morning Herald described ABC Learning as follows:

ABC's simple success story of earnings built on fat Federal Government subsidies and a steady flow of child-care service fees has been blown out of the water... the story went something like this.

ABC cashed in on unprecedented demand for child care as more women re-entered the workforce. The company's competitive edge was an aggressive acquisition strategy that would beat the competition with economies of scale and a brutally simple business school methodology – buy market share and rationalize local markets to boost occupancy. Price sensitivity on the part of customers is offset by government largesse.

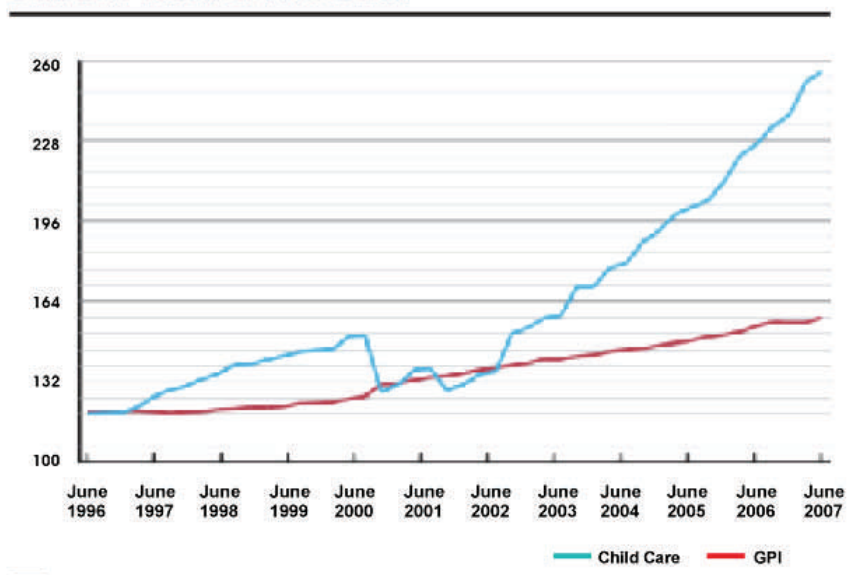
This year, the Government is expected to hand out more than \$2.75 billion in child-care benefits and related tax rebates – ABC will be the largest beneficiary by far... (downloaded Sep 11 08 from www.childcare.com.au/)

Not children, not families – in Australia, the largest beneficiary of public funding for child care is a multinational corporate child care chain. The article concluded that:

At its heart, the business is about bums on highchairs. Child care is a business with high fixed costs, so, like a hotel, occupancy is everything.

Clearly, Canada has many [lessons to learn from Australia](#) about ensuring that increasing public funds are actually accountable for improving access to quality, affordable child care services through the expansion of democratically-controlled, non-profit programs. Child care services should be planned by communities and delivered for children and families, not for profits.

Child care cost index 1996 to 2007⁶



Source: Australian Bureau of Statistics, Consumer Price Index Australia, Cat. No. 6401.0, June 2007

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cacy activity. Once again, we have had the privilege of working closely with Code Blue for Child Care, with social justice organizations and with our provincial partners across the country. [Here are just a few highlights:](#)

- **We shared information with and heard from women and their representatives** at a range of events sponsored by women's groups. For instance, we were grateful to FAFIA for the opportunity to share our vision and priorities at the United Nations women's equality conference as part of their panel presentation.
- **We shared information with and heard from early childhood educators** at various conferences, workshops and forums sponsored by child care groups. For example, we presented at the national conference of the Canadian Child Care Federation and its provincial partners in Halifax, Nova Scotia in June 2007, and Richmond, BC in May of 2008.
- **We shared information with and heard directly from communities**, as we were invited to participate in various meetings across the country.
- **We collaborated with our partners.** For example, we worked with the Coalition of Child Care Advocates of BC to produce *Only in BC*, a response to the BC governments' unnecessary and shameful cutting of child care funding in 2007. And, we worked with the Canadian Labour Congress to develop federal, provincial and territories report cards on child care as part of their Women's Economic Equality Campaign. In June of 2008, the report cards were featured in mainstream media outlets across the country.
- **We contributed to various publications**, such as the Canadian Centre for Policy Alternative's Alternative Federal Budget.
- **We participated in the Code Blue for Child Care cross-Canada speaking tour for Dr. Deborah Brennan**, one of Australia's leading researchers in comparative welfare, children's services and family policy. Dr. Brennan is Professor of Social Policy in the Social Policy Research Centre at the University of New South Wales. She was in Canada to share her expertise on Australian child care policy. For more details on this exciting tour, refer to the following piece in this report titled, *Child Care Advocates Respond to the Corporatization of Child Care*.

We gratefully acknowledge funding support from Status of Women Canada for this work.

In closing, I'd like to extend a special thank you to our members, partners and supporters throughout the country for demonstrating their ongoing commitment to the CCAAC.

This year we made a special request for financial assistance from our members and partners, due to the termination of our project funding from the federal government. We were touched by your overwhelming response. Your contributions made a positive impact on our operational capacity. We were equally touched by the words of appreciation that we received from those who were not able to contribute financially. We face this critical time with more determination than ever before.

For quality, affordable child care in Canada,



Jody Dallaire

Financial Snapshot

Project revenue for the completion of three federally funded projects in 2007/08 totaled \$360,000, and the CCAAC received approximately \$95,000 in memberships and donations. The organization contributed \$20,000 of its own revenues towards project work, ending the year with a surplus of almost \$60,000 and net assets of \$125,000.

The CCAAC also administers the Code Blue for Child Care Campaign on behalf of a range of partners. Campaign funds are held and tracked independently of CCAAC resources.

About the CCAAC

The *Child Care Advocacy Association of Canada (CCAAC)* is dedicated to working together for the right of all children to access a publicly funded, inclusive, quality, and non profit child care system. Our organization is non-profit, membership-based and regionally representative.

The CCAAC works for:

- Child care as a cornerstone of progressive family policies.
- The right of all children to access a child care system supported by public funds.
- A child care system that is comprehensive, inclusive, accessible, affordable, high quality and non-profit.
- A range of child care services for children from birth to 12 years.

To achieve our goals, the CCAAC works with members and partners to: hear about their family and child care priorities; inform them about quality, affordable and accessible early learning and child care; develop policy solutions; address access barriers and gaps in services; and help parents, child care workers and other community members' voices to be heard.

The CCAAC partners in initiatives to raise the public profile of child care and to promote broad support for child care services that meet family needs. We work collaboratively with provincial/territorial child care organizations, social justice organizations and governments at all levels.

About the Council of Advocates

The CCAAC's Council of Advocates is a major coalition representing many of Canada's organizational champions: Assembly of First Nations, the Canadian Labour Congress, Canadian Council on Social Development, CUPE, Campaign 2000, the Canadian Federation of Students, the Canadian Association for Community Living, Rural Voices, YWCA Canada, Canadian Feminist Alliance For International Action, researchers, and many others. The child care advocacy movement has become multi-sectoral and pan-Canadian in scope, as new provincial child care coalitions have developed across the country.

We look forward to our ongoing work together with you to ensure that families in Canada have access to the high quality affordable care that they should be entitled to.

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