

Corporate Big-Box Child Care, Coming to An Apartment Building Near You

This week, corporate Daycare chain Edleun announced plans to team up with rental giant Canadian Apartment Properties Real Estate Investment Trust (Capreit) to build child care in unused space in apartment buildings, beginning with two in the Greater Toronto Area (Morrow, 2012). Calgary-based Edleun acquired programs in Toronto, Mississauga and Windsor late in 2011.

Edleun is Canada's first corporate child care provider to be traded on the stock exchange. The company publicly states that its objectives include the acquisition and improvement of existing child care centres, and development of new child care centres across Canada. Citing the current fragmentation of Canada's child care system and poor showing on international benchmarks, their presentation to investors suggests that Canada is their next area of focus (Edleun Group, Inc, n.d.). Edleun has been moving across Canada, acquiring programs in British Columbia, Alberta and recently in Ontario. A 2010 Globe and Mail article states that Edleun has targeted 280 centres, and adds that if it achieves this, it will control 10 percent of the Canadian market (Ladurantaye, 2010).

Collapse of Corporate Child Care in Australia

Several of the management team members of Edleun have strong links to former Australian child care giant ABC Learning Centres. Australian ABC Learning Centres collapsed in November 2008 at the beginning of the economic downturn. At the time, ABC ran more than 1,000 centres. ABC Learning Centres' share of the Australian child care market was so significant that the government has spent over A\$100 million to bail the system out, and has had to overhaul its regulations (Penn, 2010). Penn suggests that lessons can be learnt from the Australian experience. During recessions, private for-profit child care is vulnerable, and corporate "big-box" child care, based on speculative investment is precarious and potentially expensive for government to fix and a misuse of limited public dollars.

Quality and For-Profit

While the company's website suggests that Edleun centres are focused on improving the quality of the early childhood system, research consistently shows that for-profit programs provide lower quality child care. The rationale for using for-profit operators is typically to reduce the onus on government, legitimized as being more innovative and cost effective. Research suggests however that non-profit or publicly owned programs are consistently found to provide higher quality services (Cleveland, 2008, Penn, 2010). The Australian experience demonstrates how a corporate child care monopoly can hold government ransom with regard to oversight, reduced regulations, and increasing parental fees.

Does Ontario Need More Child Care?

Absolutely, provincial underfunding, the lack of a provincial policy framework, and financial pressures of municipal governments' have all impacted the child care system. According to the City of Toronto's fact sheet, in October 2011, approximately 19,796 children were on the waiting list for a fee subsidy (City of Toronto, Children's Services, 2011). But what is needed is public policy on child care, that looks at developing a comprehensive approach to quality and accessibility, not a quick-fix, that helps to line the pockets of shareholders with tax dollars.

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