# **Comparing Child Care Policy in the Canadian Provinces**

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Many analyses of child care policy proceed from the assumption that the collections of government policies relating to the regulation and funding of child care can be understood as coherent regimes, subject to classification and analysis. This paper problematizes this assumption by examining the regulations and funding arrangements implemented by the ten Canadian provinces, arguing that these arrangements comprise a rather complex and occasionally incoherent set of policies that defy straightforward description and categorization.

The ten Canadian provinces offer a rich site for comparative analysis of child care policy, as their governments have taken very different paths when it comes to government spending on child care, the provision of spaces, the regulation of programs, and other aspects of child care policy. However, relatively little research has been done to examine in detail the differences in child care policies from province to province. With a view to undertaking systematic analysis of these policy differences, this paper constructs a comparative framework that measures variation in child care policy arrangements in the ten Canadian provinces. This framework provides a clear method for defining and measuring child care policy by measuring several key characteristics of child care policy. An analysis of this data suggests that existing research that attempts describe and understand variation in child care policy is problematic because it fails to account for the complex, multidimensional nature of variation in child care policies.

## **Understanding Variation in Child Care Policy**

The recent research that has focused on describing policy variation in Canadian child care (see, for example McGrane, 2010; Collier, 2010) relies heavily on the "varieties of liberalism" (Mahon, 2008; Mahon, 2009) framework, informed by welfare regime theory, which suggests that Canada's liberal welfare state encompasses significant variation in social policy arrangements. This variation, according to Mahon, can be understood using more precise categories that fit within the liberal model. Mahon identifies the two models that are currently most influential in social policy: neoliberalism (defined by limited government involvement in child care and a preference for market-based solutions) and inclusive liberalism (defined by an emphasis on "productive" policies that encourage investment in human capital) (2009). These concepts are used by McGrane (2010) to classify child care "regimes" in the Canadian provinces and by Collier (2010) as "overarching ideological frameworks" that help to describe and categorize child care policy arrangements over time.

This "varieties of liberalism" framework adds to the literature an important recognition of the variation in child care policy regimes within Canada across place and time, and an understanding that more nuanced categories are needed to understand child care than the traditional welfare state regime categories of liberal, social democratic, and conservative-corporatist (Esping-Andersen, 1990). However, analysis of data measuring variation in government involvement in child care regulations and funding suggests that child care policy arrangements are characterized by complexities and idiosyncrasies that defy straightforward classifications and challenge the assumption that these overarching ideological frameworks or "regimes" line up with the empirical reality of different policy arrangements. When the dependent variable of child care policy arrangements is more fully and systematically operationalized it becomes clear that child care policies in the Canadian provinces vary along many dimensions, and often in idiosyncratic or counterintuitive ways. Our analysis failed to produce evidence of clearly defined types of child care policy in the Canadian provinces; efforts to label different child care policy arrangements according to a pre-existing schema erase many important nuances that are essential to understanding policy arrangements.

This argument has implications not only for our practical understanding of child care systems in Canada, but for the comparative literature on child care policy. Much of this literature seeks to explain vaguely defined trends in child care policies, without using sufficient detail to demonstrate in what ways and to what extent child care policies actually vary from jurisdiction to jurisdiction. Instead, most child care policy researchers rely on brief descriptive accounts of policies and programs, without making direct, measurable comparisons (see for example, Mahon, 1997; White, 2009). This weakness makes it difficult to compare different studies to one another, because the dimensions of variation are not clearly articulated and measured; it also results in incomplete accounts of the complex nature of variation in child care policy. By assuming that child care policies are made up of easily described and understood sets of policies, scholars sometimes incorrectly assume that "each regime embodies a distinctive rationale," or in other words, "makes sense" (Kasza 2002: 272). This paper argues that there is no guarantee that child care policy arrangements will "make sense" and indeed, the empirical evidence in this paper suggests that they often do not. As a result, existing approaches to studying and explaining differences in child care policy may require rethinking.

The body of this paper will explore variation in child care policy by measuring and discussing seven relevant dimensions of child care policy in the Canadian provinces. The concluding sections will summarize and discuss the broader implications of our findings for future research in comparing and categorizing child care policy systems.

## Measuring Child Care Policy in Canada

The Canadian provinces provide an ideal comparative context for examining the nature of child care policy variation. The Canadian constitution assigns provinces exclusive authority in areas of social policy, meaning that child care policies and procedures vary widely from province to province. At the same time, several possible confounding factors, such as constitutional constraints, institutional frameworks and taxation structure are held constant, providing a useful laboratory to explore policy variation (Imbeau et al., 2000). Data measuring different aspects of provincial child care in a consistent fashion are readily available. This paper draws mainly on data from the Childcare Resource and Research Unit (CRRU) report *Early Childhood Education and Care in Canada 2008* (Beach et al., 2009), occasionally supplemented with information from other sources.

Despite the rich comparative potential, few existing studies examine in detail the differences in child care policies from province to province. The notable exception to this is McGrane; his study is the first that attempts to compare child care systems in all ten provinces using empirical data to measure different characteristics of child care policy (2010). As such, his work informs this study in important ways. We follow McGrane, in assuming that we must look at measurable characteristics such as government spending and the availability of spaces in order to understand the differences in child care in the provinces. However, we depart from McGrane's analysis in some key ways. First, this paper questions and subsequently alters some of the measures that McGrane uses and adds some new measures; the following sections explore and justify these changes in more detail. Second, it employs a different method to compare the policy characteristics of the provinces. Where McGrane uses multi-dimensional scaling in order to visually map out the differences between provincial child care regimes, this paper will treat each characteristic separately. Rather than explaining the overall "distance" between child care policies in each province, we are interested in looking specifically at the extent of variation in several different dimensions of child care policy in order to fully explore the multi-dimensional

nature of this variation. This method allows the observer to see both the patterns and the idiosyncrasies of provincial child care systems, and makes it easier to compare provincial child care programs along many different dimensions. For the purpose of reducing complexity in the overall comparative framework, we score each province as high, medium, or low in each dimension of child care policy. We follow the example of Bettio and Plantenga and use the mean value for each measure, plus or minus half of the standard deviation, as the boundaries of the "medium" category, while anything that falls outside of this range is labelled "high" or "low" (2004).

The seven dimensions of variation we have chosen are staff education and wages, staff:child ratios, regulation, level of non-profit delivery, availability, government spending, and affordability (affordability is subdivided into two categories, fee affordability and subsidy structure). These characteristics capture a wide range of important differences in provincial child care policy and can be reliably measured using existing data.

### A Note on Measuring Quality

Before proceeding, it is necessary to address the issue of measuring "quality" in child care. Quality of care is an important aspect of child care regimes that is often overlooked in the comparative literature; many scholars of child care policy are primarily concerned with government spending or the availability of spaces, without considering what kinds of experiences children and families are actually having with regulated child care (for example, Henderson and White, 2004). At the same time, quality in child care centres is not an easy concept to define or measure. As Friendly et al. (2006) note, "[i]deas about quality in early learning and child care vary depending on the values, beliefs, and cultural/social context and needs of the individual or group making the judgement" (5). Observers do not agree what qualifies as a quality experience for young children, and consequently, measuring quality can be extremely difficult. For some, quality is defined as care that enhances children's cognitive skills and school readiness; for others, quality refers to children's physical well-being; for still others, quality care is about building a strong emotional connection with a child (Friendly et al., 2006). These competing definitions contribute to the controversy over whether or not formal child care arrangements are in fact "good" for children (Doherty, 1996).

In this study, we are interested in quality in regulated child care across the Canadian provinces. Therefore, we focus on aspects of quality that are considered important for those who advocate for or study formal child care arrangements. The conception of quality in this paper draws particularly on a report published as part of the You Bet I Care! series on child care in Canada (Goelman et al. 2000), which conducted a comprehensive study of quality in formal child care centers across Canada. This report considers some of the many dimensions of quality including safety and basic care, and the context in which a child care centre operates, before concluding that a concept that they term "process quality" is the most important aspect of children's social and physical development in child care centres. Process quality refers to the "nature of the child's daily experience" (4), particularly their interactions with adult caregivers and their ability to practice play-based learning in an appropriate physical environment. The report notes that more "than twenty years of research have demonstrated the association between process quality and children's well-being and development." (5). Based on this definition, the YBIC report measures quality using direct observation; the quality of care in child care centres observed is gauged using established scales that measure the quality of child-caregiver interactions and the child care environment. Were it not for the fact that the YBIC data was

collected more than ten years ago and that it only examines six of the ten provinces, it would provide a reliable source of data for provincial comparisons of child care quality, since it does provide provincial averages.

Where the YBIC data is useful, however, is in its analysis of the *predictors* of quality in child care. For the purposes of this paper it is noteworthy that the report finds a strong correlation between staff early childhood education and income levels, and process quality in child care centers. It also finds a strong link between maximum regulated staff: child ratios and process quality. These factors are not only empirically supported predictors of quality, but also have a strong logical, theoretical link with quality care. Staff who are well-informed and educated about quality interactions with children, and perceive that their job is valued and respected because they are compensated fairly, should provide higher quality care. As well, the higher the ratios of staff to children, the more attention and care given to quality staff-child interactions. These predictors can be measured using more recent provincial data and can therefore provide some insight into variation in child care quality across provinces.

In his study, McGrane uses four different measures – staff education, staff income, staff:child ratios and level of non-profit care - to construct a quality index, comparing the quality of care across each province (2010). However, we have disaggregated these measures into different categories for two reasons. The first is that the Goelman et al. report found that non-profit status is only an *indirect* predictor of quality child care, suggesting that it is a less than optimal indicator of quality (2000). The second is that, as the following two sections demonstrate, staff:child ratios are not closely correlated enough with staff education and income levels to warrant collapsing them into one category. Therefore, this study does not construct one measure of quality child care, while still noting that staff income and education, as well as staff:child ratios, are closely linked to quality child care.

### Staff Education and Income

The first policy measure we examine is staff education/income levels. The educational training and income levels of child care staff are important aspects of child care policy that reflect levels of government intervention in the child care labour market. Policies such as staff wage enhancements and qualification requirements have the potential to significantly alter the levels of education and earnings in the child care workforce, and, subsequently, the quality of child care provided Although it is possible to consider education and income separately, the two correlate closely: more highly educated staff members tend to earn higher incomes, and vice versa. Therefore, this section combines the two into one category.

Table 1.1 displays the variation in child care staff income levels in all ten provinces. Unlike McGrane, I measure staff salaries by expressing them as a percentage of each province's median income,to control for variation in overall wage levels in different provinces. One would expect that a caregiver in New Brunswick would make less than a caregiver in Alberta, but expressed simply as a dollar figure, this would not tell us much about the relative economic positions of child care workers in the two provinces. The mean value in these calculations (median yearly income as % of provincial median income) is 76% and the standard deviation is 13.5%, meaning that any value from 69.25% - 82.75% falls into the "medium" category, according to Bettio and Plantenga's classification system (2004).

**Table 1.1: Median Income of Child Care Staff** 

Province	Median yearly income of early childhood educators and assistants (as % of provincial median income)	Classification of staff income levels (high, medium, low)
British Columbia	\$24,987 (87%)	High
Alberta	\$18,774 (53%)	Low
Saskatchewan	\$19,193 (65%)	Low
Manitoba	\$21,126 (76%)	Medium
Ontario	\$27,199 (92%)	High
Quebec	\$26,240 (98%)	High
Nova Scotia	\$20,060 (76%)	Medium
New Brunswick	\$17,429 (69%)	Low
P.E.I.	\$19,616 (76%)	Medium
Newfoundland & Labrador	\$15,884 (67%)	Low

Sources: Beach, Jane, Martha Friendly, Carolyn Ferns, Nina Prabhu and Barry Forer. 2009. *Early Childhood Education and Care in Canada, 2008.* Childcare Research and Resource Unit, University of Toronto; Statistics Canada, 2010. CANSIM table 111-0008, *Individuals by total income level by province and territory.* Accessed June 9, 2011, www40.statcan.ca.

Table 1.2 displays child care staff education levels in the provinces, measured by calculating the percentage of the child care labour force that trained as early childhood educators or child care assistants<sup>1</sup>. The same method of using the mean value, plus or minus half of the standard deviation, is used to classify the provinces as having high, medium, or low levels of relevant staff education. The mean value for percentage of ECE-trained staff is 41% and the standard deviation is 5.9%, so any value within the range of 38.05% - 43.95% falls into the "medium" category of staff education.

Table 1.3 displays the findings from Tables 1.1 and 1.2, and combines the two measures into one score. This table shows, as mentioned above, that income and education correlate strongly. Seven of the ten provinces have the same ranking of high, medium, or low for both categories; those that do not receive a combined score of medium-high or medium-low. This table also demonstrates some interesting variation in these measures. For example, Alberta child care staff members only make 53% of the average median income in that province, compared to Quebec at 98%; staff education levels vary from 30% of staff with ECE training in Alberta to 50% in Ontario.

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<sup>&</sup>lt;sup>1</sup> This measure includes the level of all education for all people working as early childhood assistants and educators, including staff in family day homes.

Table 1.2: Percentage of Child Care Workforce with ECE-specific training

Province	% of Labour Force trained as early childhood educator/teacher or child care provider/assistant <sup>2</sup>	Classification of relevant staff education levels (high, medium or low)
British Columbia	46%	High
Alberta	30%	Low
Saskatchewan	34%	Low
Manitoba	41%	Medium
Ontario	50%	High
Quebec	43%	Medium
Nova Scotia	45%	High
New Brunswick	38%	Low
P.E.I.	43%	Medium
Newfoundland &	42%	Medium
Labrador		

Source: Child Care Human Resources Sector Council. 2009. *A Portrait of Canada's Early Childhood Education and Care Workforce*. Accessed June 8, 2011 <a href="https://www.ccsc-cssge.ca">www.ccsc-cssge.ca</a>

**Table 1.3: Child Care Staff Income and Education** 

Province	Staff Income Levels	Staff Education	Combined Score
	(as % of provincial median income)	Levels (% of staff with ECE-specific	
	median medine)	education)	
British Columbia	87% (High)	46% (High)	High
Alberta	53% (Low)	30% (Low)	Low
Saskatchewan	65% (Low)	34% (Low)	Low
Manitoba	76% (Medium)	41% (Medium)	Medium
Ontario	92% (High)	50% (High)	High
Quebec	98% (High)	43% (Medium)	Medium-High
Nova Scotia	76% (Medium)	45% (High)	Medium-High
New Brunswick	69% (Low)	38% (Low)	Low
P.E.I.	76% (Medium)	43% (Medium)	Low
Newfoundland &			Medium-Low
Labrador	67% (Low)	43% (Medium)	

## Staff: Child Ratios

The next measure of child care policy examined is staff:child ratios. As noted in the previously, ratios are important because they correlate closely with child care quality. Ratios are also an indicator of the general strictness of government regulations and the relative willingness of provincial governments to intervene in quality standards.

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<sup>&</sup>lt;sup>2</sup> Numbers based on estimate from graph.

**Table 1.4: Average Staff:child Ratios** 

Province	Maximum staff:child ratios (average of all age groups)	Classification (high, medium or low)
British Columbia	1 to 6.7	High
Alberta	1 to 7	Medium
Saskatchewan	1 to 7.7	Medium
Manitoba	1 to 7.3	Medium
Ontario	1 to 7.8	Medium
Quebec	1 to 11	Low
Nova Scotia	1 to 9	Low
New Brunswick	1 to 7.3	Medium
P.E.I.	1 to 8.3	Medium
Newfoundland &	1 to 5.3	High
Labrador		

Source: Beach et al. (2009)

In every province, approved ratios are different depending on the age of the children being cared for, so the scores in Table 1.4 are an average of the maximum staff:child ratios for each age group, using data provided by the CRRU report. Since every ratio is standardized as 1 staff to x number of children, the x values are used to find the mean and standard deviation. The mean value is 7.74 and the standard deviation is 1.51, so any ratio from 1 to 6.98 – 1 to 8.5 falls into the "medium" category. Many of the provinces cluster into the "medium" category on staff: child ratios. However, there is some variation evident. Quebec requires on average, one staff for every 11 children, while Newfoundland's standards are much higher at one staff for every 5.3 children.

## Regulation

This section addresses the degree of regulation in child care policy arrangements, specifically the proportion of children who are cared for in spots that are subject to licensing standards and other official provincial regulations versus the proportion of children in more informal care arrangements (for example, unregulated family day homes). Regulation is not a dimension considered by McGrane in his study, but we would argue that regulation is an important aspect of child care policy because it is one way of measuring the state's level of intervention in child care. If a vast majority of child care arrangements in a jurisdiction are regulated, this suggests that the state has taken measures to increase regulation such as imposing stricter standards for what qualifies as regulated child care, or introduced incentives for providers and families using regulated care that are not available in unregulated care. The level of regulation is therefore indicative of what role the state sees itself as having in the formal control of child care; higher levels of regulation suggest a more interventionist stance on child care, while lower levels suggest that the state is less willing to dictate child care standards and rules, and would rather leave these choices to the market and/or the family.

While data on unregulated child care are not readily available, it is possible to estimate the prevalence of different care arrangements by comparing the number of children aged zero to five whose mothers are in the labour force, and the number of regulated spots in each province. Regulation, then, is expressed as a percentage of young children with working mothers (children who would presumably be in some form of non-parental child care) who are enrolled in a

regulated child care spot.<sup>3</sup> Each province receives a rank of high, medium, or low levels of regulation, based on the mean of 40%, with anything plus or minus half of the standard deviation (12.2%) from the mean considered "medium." Table 1.5 displays the results of this analysis.

Table 1.5: Proportion of Children in Regulated versus Unregulated Care

Province	Estimate of # of children in unregulated care	Estimate of % of children in regulated care, versus unregulated care	High, Medium or Low levels of regulated care
British Columbia	84,295	41%	Medium
Alberta	85,401	39%	Medium
Saskatchewan	30,926	21%	Low
Manitoba	27,285	42%	Medium
Ontario	324,736	36%	Medium
Quebec	113,583	64%	High
Nova Scotia	19,077	37%	Medium
New Brunswick	17,456	32%	Low
P.E.I.	2,435	59%	High
Newfoundland & Labrador	10,863	33%	Low

Source: Beach et al. (2009)

This analysis provides a way of comparing the levels of regulated and unregulated care in each province. As Table 1.5 shows, there is significant variation amongst the provinces in reliance on regulated and unregulated care, with Quebec demonstrating the highest ratio of children in regulated versus unregulated care, and Saskatchewan the lowest.

## Proportion of Non-profit Delivery

The fourth aspect of child care regimes in this analysis is the auspice (for-profit or non-profit) of delivery. McGrane (2010) treats non-profit care as a single indicator within the quality index. As noted previously, this is problematic because non-profit status is only an indirect predictor of quality in child care centres (Goelman et al., 2000). In addition, the nature of the delivery of child care services (whether they are non-profit or for-profit) is an important aspect of child care regimes in and of itself. The relative levels of non-profit child care in the provinces signify differences in the attitudes of provincial governments towards the role of markets and other organizations in the care of children outside the home. There are a number of policies and

<sup>&</sup>lt;sup>3</sup> This measurement excludes families in which fathers stay at home to care for young children or two parent families where shifts are split in order to balance child care in the home. Although the proportion of stay-at-home fathers in Canada is rising, this is still a small minority of family types. A Government of Alberta new release points out that 95% of men with children under six in Alberta participate in the labour force (Government of Alberta, 2008). In addition, there is little reason to believe that the rates of stay-at-home fathers would vary greatly among provinces.

incentive systems that governments can use to influence the nature of child care delivery towards for-profit or non-profit care, and broader considerations than just the quality of care factor into these decisions.

The CRRU report provides information regarding the level of for-profit and non-profit delivery in each province. Table 1.6 displays the percentage of regulated, centre-based spaces in each province that are non-profit. Each province receives the label high, medium, or low levels of non-profit delivery using the mean of 62%, plus or minus half the standard deviation (25.6%), as the "medium" category.

Table 1.6: Proportion of Non-profit Child Care Delivery

Province	% of regulated centre-based	High, medium, or low levels of	
	spaces that are not-for-profit	not-for-profit delivery	
British Columbia	58	Medium	
Alberta	49	Low	
Saskatchewan	100	High	
Manitoba	95	High	
Ontario	76	High	
Quebec	86	High	
Nova Scotia	50	Medium	
New Brunswick	33 (est. in original data)	Low	
Prince Edward	42	Low	
Island			
Newfoundland	30	Low	
and Labrador			

Source: Beach et al. (2009)

Again, provinces vary widely on this indicator. A particularly striking case is Saskatchewan, in which virtually every regulated child care space is non-profit. This is likely a result of the bureaucratic practice in the province that mandates that only non-profit child care spaces are eligible for fee subsidies (Taylor, 2009). This unique feature of Saskatchewan child care suggests an interesting avenue for future research.

## **Availability**

Availability refers simply to the number of regulated child care spaces that are available for young children in each province. The availability of child care spots reflects on whether a child care policy regime encourages or discourages the creation of child care spaces so that parents can work or study. Availability is one aspect of accessibility, which is a broader concept that captures how easy or difficult it is for families to find and use regulated child care spots. While accessibility captures some important aspects of child care regimes that are not included in availability, it is also much more difficult to measure; the relative ease of finding child care might vary according to region (particularly the urban-rural divide), the type of care sought, and the eligibility requirements enforced by child care centres. No data are available that would provide an accurate comparison of these factors from province to province. On the other hand, data on availability is easily accessible through the CRRU, providing a straightforward and comparable measure that captures one important aspect of accessibility.

Table 1.7 displays the availability of child care spots in each province, expressed as a percentage of all children aged zero to five in the province for whom there is a regulated, centrebased child care space available. The standard deviation is 4.4% and the mean is 18.8%, with anything plus or minus half the standard deviation from the mean considered "medium." Importantly, these calculations exclude Prince Edward Island, which is an obvious outlier in availability of spaces, with 41% of young children having access to a regulated space, compared to 25% in Quebec. PEI is treated here as an exceptional case because it is such a small province geographically and population-wise, meaning that addressing availability is a much different challenge for this province in comparison to the others. Including PEI would unnecessarily skew the data, creating a mean and standard deviation that do not accurately reflect the realities of availability in the other nine provinces. Again, this table demonstrates variation in the child care policy regimes across Canada. Even excluding the case of PEI, availability ranges from 9.1% coverage in Saskatchewan to 25% in Quebec.

Table 1.7: Availability of Regulated Child Care Spaces

Province	% of children aged 0-5 for whom there is a regulated centre-based space	High, Medium, or Low levels of availability	
British Columbia	18.3	Medium	
Alberta	17.4	Medium	
Saskatchewan	9.1	Low	
Manitoba	20.6	Medium	
Ontario	19.6	Medium	
Quebec	25.0	High	
Nova Scotia	22.1	High	
New Brunswick	19.9	Medium	
Prince Edward Island	41.0	High	
Newfoundland and	17.3	Medium	
Labrador			

Source: Beach et al. (2009)

## Provincial Government Spending

Perhaps the most straightforward, and often-used, measure of variation in child care policy regimes is the amount that governments spend on child care. Although it is not the only important aspect of child care policy, spending is an easy way of comparing where child care sits on different governments' priority lists. Higher levels of spending would suggest that governments see child care as an area to invest in (albeit in different ways and for different reasons), while low spending suggests that governments see the financial responsibility for child care better left to families and markets.

Table 1.8 displays provincial government spending on child care per child aged zero to twelve years<sup>4</sup> in order to capture the relative commitments to child care spending in each province. Again, "medium" levels of spending are anything plus or minus half of the standard

<sup>&</sup>lt;sup>4</sup> No data are available on spending only for younger children, so these figures also include spending on out-of-school child care programs.

deviation (\$439.40) from the mean (\$482.1). These calculations use the spending levels in every province despite the fact that, as in measures of availability, there is a clear outlier on this measure – in this case, Quebec. However, it is much easier to justify excluding Prince Edward Island from a national average, a province with a very small geographic area and population, than it is to exclude Quebec, which is a much more significant actor in the provincial political scene. Quebec's higher spending levels are not so much a reflection of the fact that it faces different challenges but that the provincial government chose to take a very different path in child care policy, a path which is very significant in comparisons of provincial child care policy regimes.

Table 1.8: Provincial Government Spending on Child Care

Province	Spending on regulated child care per child aged 0-12 (\$)	High, Medium or Low levels of government
		spending
British Columbia	382	Medium
Alberta	195	Low
Saskatchewan	326	Medium
Manitoba	606	High
Ontario	414	Medium
Quebec	1694	High
Nova Scotia	313	Medium
New Brunswick	274	Medium
Prince Edward Island	313	Medium
Newfoundland and	304	Medium
Labrador		

Source: Beach et al. (2009)

Interestingly, Table 1.8 shows that many of the provinces group relatively closely together around the \$300-\$400 range for spending per child. The outlier on the low end of spending is clearly Alberta, which spends significantly less on child care than its provincial counterparts.

## **Affordability**

The affordability of child care is a key aspect of child care policy regimes. Governments have the ability to affect the cost of child care through means such as direct funding for child care centers (which should affect how much the centers charge), the creation of maximum fee ceilings (as in Manitoba), and the provision of fee subsidies to parents. The affordability of child care is a sign of how individual families and the government share the financial burden of formal child care, and reflects on the accessibility of child care for families, especially those with lower incomes.

At first consideration, it seems that affordability would be an easy concept to measure – data are readily available on the average fees charged for child care in each Canadian province. However, the fees charged by child care centers only tell part of the story about how affordable child care is for families. Every provincial government (excluding Quebec, which directly funds child care centers) spends a large portion of their child care budget on child care fee subsidies for

eligible parents. In order to qualify for fee subsidies, parents must meet certain criteria, most importantly an income that is low enough to qualify for full or partial subsidies. The eligible income levels vary greatly across province, and the rules surrounding subsidy are extremely inconstant. For example, in some provinces subsidy levels change for subsequent children in a family while in others they remain constant; some provinces take into account whether family income is earned by one parent or two, while others do not; and some provinces calculate income levels using net income while others use gross. To complicate things further, in Ontario subsidies are administered by municipalities and take into account the cost of child care, instead of just income levels, and in Saskatchewan, subsidy levels vary according to what region of the province the family lives in (Beach et al., 2009).

These provincial differences mean that it would be extremely difficult to come up with one measure of "affordability" to encompass the wide range of variation in what parents pay for child care within a single province. With this in mind, I separate the broader category of affordability into two sub-categories: fee affordability, and subsidy structure. Together, these categories capture some important information about the affordability of child care in each province, although even they fail to capture all of the distinct variation in the application of subsidies in each province. However, these measurements do highlight some of the distinctive qualities of each provincial government regarding to what degree, and in what ways, they intervene in paying for child care.

## a) Fee Affordability

**Table 1.9: Child Care Fee Affordability** 

Province	Median monthly fees as percentage of median monthly income in province	High, Medium, or Low affordability
British Columbia	27.3%	Low
Alberta	21.9%	Medium
Saskatchewan	20.0%	Medium
Manitoba	18.8%	High
Ontario	25.9%	Low
Quebec	6.7%	High
Nova Scotia	24.7%	Medium
New Brunswick	24.1%	Medium
Prince Edward	28.5%	Low
Island		
Newfoundland	28.2%	Low
and Labrador		

Source: Beach et al. (2009)

Fee affordability is a straightforward measure of the median monthly fees charged by child care centers in each province. In order to place fees in the economic context of each

province, I express them as a percentage of the median monthly income in the province. The standard deviation for these figures is 6.5% and the average is 22.6%, meaning that anything that falls within the range of 19.35% and 25.85% falls into the "medium" category of fee affordability (see Table 1.9).

Obviously, simply looking at the fees charged by centers does not capture the full picture of affordability, since it leaves out entirely the role of fee subsidies. However, it does reflect on the financial capacity of child care centers in each province, and leads back to government policies that influence the fees charged by centers. For example, child care centers in Manitoba charge very low fees in comparison to other provinces, in part because in that province the government has actually legislated a maximum fee that centers can charge.

## b) Subsidy Structure

As noted above, the rules concerning the allocation of subsidy dollars in each province are extremely complex. However, there are some easily observable differences in the subsidy structures of each province concerning the general pattern by which subsidies are distributed and the generosity of payments to subsidized families. Measurements of the percentage of children in regulated child care who receive subsidy, and the spending on fee subsidies per subsidized child in each province, capture these two aspects of subsidy policy.

Province Children receiving fee **Spending on fee Type of Child Care** subsidies as % of total subsidies per **Subsidy Structure** regulated spaces subsidized child British Columbia 17% (Targeted) \$5921.39 (Generous) Targeted-generous 14% (Targeted) Targeted-generous Alberta \$5776.86 (Generous) 41% (Dispersed) Dispersed-generous Saskatchewan \$4299.73 (Generous) 35% (Dispersed) Dispersed - limited Manitoba \$3628.11 (Limited) Ontario 49% (Dispersed) \$2571.04 (Limited) Dispersed - limited N/A (essentially 100% Quebec Universal of children are subsidized) Nova Scotia 21% (Targeted) \$3723.70 (Limited) Targeted-limited Dispersed – limited New Brunswick 35% (Dispersed) \$2101.77 (Limited) 36% (Dispersed) Dispersed – limited Prince Edward Island \$1959.69 (Limited) Newfoundland and Labr 35% (Dispersed) Dispersed – generous \$5909.65 (Generous)

**Table 1.10: Child care Subsidy Structures** 

Source: Beach et al. (2009)

The first measurement, the percentage of children who receive subsidy, captures how targeted, or dispersed, subsidy dollars are. The mean percentage of 31% works as the dividing line in order to label each province as having a targeted or dispersed subsidy structure. The mean value for the spending on each subsidized child is \$3987.90, which acts as the division between "generous" subsidy structures (those that spend more than \$3987.90 per every

<sup>&</sup>lt;sup>5</sup> The mean value of 31% was not chosen completely arbitrarily, but because it also reflects a natural break in the values of the percentage of subsidized children; there is a clear break between Nova Scotia at 21% (the highest of the "targeted" structures) and N.B., Manitoba and Newfoundland at 35% (the lowest of the "dispersed" structures).

subsidized child) and those with "limited" spending (those that spend less than \$3987.90).<sup>6</sup> Combining these measures, four different subsidy structures "types" become possible: dispersed-generous, dispersed-limited, targeted-generous, and targeted-limited. Table 1.10 displays these measures and the corresponding labels for each provincial subsidy structure.

These different subsidy structure types, I argue, reflect very different public policy goals. In particular, the two most common types, dispersed-limited and targeted-generous, suggest very different policy objectives. If subsidy dollars are paid out generously, but only to a targeted set of families, then the subsidy structure appears to be aimed at encouraging labour force participation among low-income parents (especially since having parents working or attending school is often a requirement for receiving subsidy at all). On the other hand, if subsidy payments are low, but dispersed among a large number of families, including those with higher incomes, it seems likely that the goal of subsidy is to encourage accessibility in child care for a wider range of families. Targeted-generous and dispersed-limited subsidy structures reflect very different priorities in terms of where subsidy dollars go and what they are intended to achieve.

### **Discussion**

Table 1.11 provides a summary of the scores of each of the provinces in the categories I have discussed. Loosely grouped at the top are provinces with higher scores, and at the bottom, those with lower scores. The table also includes three rows that represent the three types of child care policy regimes described and used by McGrane (2010) to group or label provincial child care policies using welfare regime theory. In addition to the inclusive liberal and neoliberal models emphasized by Mahon (2009), McGrane includes the category of social democratic (or egalitarian) child care regimes, characterized by high government spending, universally accessible child care services, and high wages and working conditions for child care providers. Based on McGrane's description of these three types of regimes (2010), I have added three rows to Table 3.11 that display the scores expected in each "ideal type" of regime.

According to McGrane's definitions, a social democratic regime should rate "high" on all of the measures related to quality, availability, and government spending as a result of high public involvement and regulation. Subsidies to parents would be widely dispersed and generous to ensure universal access. Table 1.11 shows that no Canadian province meets these criteria. McGrane argues that Quebec, with its \$7/day child care, falls into this category; we argue that while Quebec does approach the 'ideal' social democratic type, the province's low score on staff: child ratios cannot be ignored. This is something that McGrane does not emphasize, but if, as he argues, a social democratic regime should enforce strict regulations to ensure high quality, then Quebec does not fit as neatly into this category as he claims.

<sup>&</sup>lt;sup>6</sup> See previous footnote; again, the mean value is chosen because it reflects a clear division in the amount spent on each subsidized child. Nova Scotia has the highest value of the "limited" subsidy spending at \$3723.20 per subsidized child, while Saskatchewan has the lowest of the "generous" at \$4299.73.

Table 1.11: Characteristics of Child Care Policy Arrangements in Canada

							Affordability		
	Staff Education and Income	Ratios	Regulation	Level of non- profit delivery	Availability	Provincial government spending per child	Fee affordability	Type of subsidy structure	
Quebec	Medium- High	Low	High	High	High	High	High	N/A (Universal)	
Manitoba	Medium	Medium	Medium	High	Medium	High	High	Dispersed - limited	
Ontario	High	Medium	High	High	Medium	Medium	Low	Dispersed - limited	
British Columbia	High	High	High	Medium	Medium	Medium	Low	Targeted - generous	
Nova Scotia	Medium- High	Low	Medium	Medium	High	Medium	Medium	Targeted - generous	
P.E.I.	Low	Medium	High	Low	High	Medium	Low	Dispersed - limited	
Nfld. & Labrador	Medium- Low	High	Low	Low	Medium	Medium	Low	Dispersed - generous	
New Brunswic k	Low	Medium	Low	Low	Medium	Medium	Medium	Dispersed - limited	
SK	Low	Medium	Low	High	Low	Medium	Medium	Dispersed - generous	
Alberta	Low	Medium	Medium	Low	Medium	Low	Medium	Targeted - generous	
Social Democratic Regime	High	High	High	High	High	High	High	Dispersed-generous	
Inclusive Liberal Regime	Medium- High	High			Medium- High	Medium- High	Medium- High		
Neo- Liberal Regime	Low	Low	Low	Low	Low	Low	Low	Targeted-limited	

An inclusive liberal child care system, unlike a social democratic system, should maintain a role for the market in child care provision while still investing in quality services to maximize human potential (Mahon, 2009). It is not completely clear how this definition translates into all of the measures employed in this study; McGrane (2010) seems to assume that in inclusive liberal regime should be, more or less "somewhere in the middle," with social democratic and neoliberal regimes representing the opposite ends of the spectrum. However, based on the description of inclusive liberalism's preoccupation with investment in child care services to ensure access to high quality services, it seems that an inclusive liberal regime should rate relatively high on ratios and staff education/income, and moderate to high on levels of availability, spending and affordability. Certainly, several of the Canadian provinces, notably Manitoba, Ontario and BC, approach this norm. Even in these cases, however, we find departures from the pattern, with fee affordability in Ontario and BC falling into the "low" category. Manitoba, perhaps, comes closest to existing definitions of an inclusive liberal child care regime, but this does not erase the need for a clearer definition of what an inclusive liberal regime should look like in other dimensions such as subsidy structure and regulation. Many other provinces also seem to fall "somewhere in the middle" but display a puzzling mix of characteristics that are not clearly encompassed by the inclusive liberal category; examples include the high regulation and availability in P.E.I. combined with low scores in staff education and income, or Newfoundland's high standards for staff:child ratios but low levels of non-profit delivery.

A neo-liberal regime would be characterized by limited government intervention in child care services, resulting in low levels of quality, availability, and affordability. Based on this

definition, we would expect such a regime to rank low on all of the measures included in the analysis, and that subsidy structures would be targeted-limited, reflecting the lack of government intervention in the sector. Alberta and Saskatchewan approach the neo-liberal 'ideal' but do not match it entirely; both provinces score "medium" in several categories, while Saskatchewan scores high on levels of non-profit delivery and has an extremely generous subsidy structure.

In fact, Saskatchewan is a particularly striking example of a child care system characterized by a counterintuitive mix of policies. Despite moderate levels of government spending and affordable child care (created by medium fee availability combined with a dispersed-generous subsidy structure), Saskatchewan scores extremely low on measures of staff education/wages and availability of spaces. In addition, the extremely high level of non-profit care in the province combined with low levels of staff education and wages challenges research that suggests a strong relationship between non-profit status and higher staff wages and levels staff education, resulting in higher quality care (Mill, 1995; Cleveland and Krashinsky, 2004; Sosinsky et al., 2007). Puzzles such as these demonstrate the difficulty in identifying straightforward "types" of child care regimes; the mixture of high, medium and low scores on the different dimensions in a case such as Saskatchewan suggest a unique set of child care policies that are not easily classified.

It is obvious that the ten provincial child care regimes in this table do not resemble the scores of the three ideal types described in the three bottom rows of Table 1.11, suggesting that categorizing the provinces according to this schema is an oversimplification and that concepts drawn from welfare regime theory and the "varieties of liberalism" framework may not be useful for categorizing provincial child care arrangements. The supposed utility of this theory is what motivates McGrane to assume that child care policy arrangements can be categorized into conceptually coherent and distinct categories. He also assumes that child care regimes that do not fit easily into any one category are simply in transition, moving definitively towards one of the three models described in Table 1.11. McGrane does not consider that the child care regimes that he studies actually illustrate a great deal of persistent variation in many different dimensions of child care policy, making it difficult to classify them using welfare regime concepts.

## **Implications and Directions for Future Research**

This paper has presented a new way of measuring and understanding child care policy that highlights, rather than skimming over, the complex, multi-dimensional nature of policy variation. As noted earlier, the Canadian provinces are a useful laboratory for this kind of comparative policy analysis because of the constancy of possible confounding factors combined with variation in social policy approaches (Imbeau et al., 2000), as well as the availability of relevant and comparable data. An important question to consider is whether this framework can be applied to comparisons in other jurisdictions. Cross-national comparisons of this nature may be more difficult. Child care is structured quite differently in many countries; for example, in France full-day preschool programs are integrated into the education system while care for children under the age of three falls under the rubric of family policy and is administered differently (Morgan, 2003). In many other countries, on the other hand, there is no institutional differentiation in child care services for children under the age six, making comparisons difficult. The factors that are held constant when comparing the Canadian provinces, such as constitutional provisions concerning policy, historical development, and taxation structure also vary widely across jurisdictions, presenting a number of difficult questions for comparisons of child care. In addition, there may be a lack of readily available and comparable data in cross-national

comparisons, especially for characteristics that are more difficult to operationalize and measure such as regulation and affordability. While keeping these challenges in mind, future comparative research on child care policy, especially cross-national studies, should strive to engage in a productive conversation about exactly what policy characteristics are important when studying child care policy arrangements, and about how to understand and operationalize variation in these characteristics. Creating a thorough comparative framework to understand and measure cross-national child care variation will not be easy, but striving towards this goal is important because it will illuminate more clearly the specific ways in which child care policy arrangements actually vary and allow scholars to develop more reliable explanations for this variation.

This paper has also criticized existing efforts to categorize or typologize child care policy arrangements. However, these criticisms do not mean that the project of classifying child care regimes should be abandoned. There are many advantages to classification systems, including the reduction of complexity, the identification of similarities and differences, and the ease of inventory and comparison (Bailey, 1994: 12-14). It is also worth noting that the categories used in welfare regime theory and in the varieties of liberalism framework can be considered "ideal types." Ideal types allow for the construction of relationships that "our imagination accepts as plausibly motivated and 'objectively possible'" (Weber, 1949: 91-92) and which are "oriented to facilitate ... empirical analysis, without reflecting either an ethical imperative, or a historical reality" (della Porta, 2008: 206). In other words, it is not necessary for ideal types to describe perfectly what is happening in the real world, but these types are useful for being able to understand and discuss concepts in a meaningful way. At the same time, it is obvious that if these types have little or no relation to the empirical reality, their usefulness is limited. The goal should be to find a balance between parsimony and accuracy. One way to begin making sense of this variation in a broader sense would be to consider which dimensions of variation correlate closely with each other, and which do not. This would help to isolate some of the policy areas in which unexpected variation occurs and suggest which dimensions of variation are most important to consider when constructing typologies. For example, the data presented in this paper suggest that the affordability of child care, and staff education and wages, are not closely correlated. While Ontario and British Columbia both score high on staff education and wages, they score low on fee affordability (see Table 1.11). Logically, these findings make sense, suggesting that higher parent fees subsidize high staff education and wages, but existing typologies and concepts fail to recognize that it is possible for these measurements to correspond in a negative direction.

The majority of studies that explore variation in child care policy are concerned not just with describing this variation, but explaining it. Importantly, in lieu of the findings in this paper, future research should heed Jæger's argument that when theorizing the causes or effects of welfare state policies in a specific case, it is necessary to look closely at specific policy arrangements rather than assuming that their characteristics line up with the regime type in which the case is usually categorized (2006). Regardless of the method by which child care systems are classified, any attempt to explore the causes of policy variation should not assume that a child care regime shares all the features of the category it is placed in, but still consider the detailed characteristics of each case. A method for more clearly understanding complex variation in child care policy is suggested by Kasza, who argues that many inherent features of welfare-policy making contribute to the lack of internal consistency in welfare regimes (2002). For instance, welfare policies are constantly modified to account for new social realities. Different areas of policy also generally have diverse histories, and new methods of policymaking are utilized at

different times and to address different problems. These features could be adapted to the comparative study of child care regimes to see whether they contribute to the piecemeal nature of child care policies. For instance, studies could examine whether child care policies affecting affordability or availability are altered to account for changing labour market patterns, while policies that affect quality regulations remain unaffected by these kinds of social change.

#### Conclusion

This paper has demonstrated that variation in child care policy in the Canadian provinces is more complicated than existing accounts suggest and that the "varieties of liberalism" framework therefore has limited utility for understanding this variation. McGrane, a proponent of this framework, notes that "the child care regimes of these provinces are uneven" (2010:12). Our argument is that this unevenness does not necessarily suggest, as McGrane argues, that child care regimes are at a crossroads, moving towards one definitive "type" of child care regime. Instead, we argue that child care policy is a complex phenomenon that defies obvious or straightforward categorizations. This finding is relevant not only for child care in the Canadian provinces, but for the broader comparative literature on child care policy, and may be relevant to research on other social policy areas as well. Before attempting to explain policy arrangements, it is important to understand exactly what these policy arrangements are; this involves carefully examining and systematically comparing the many different facets of child care policy systems.

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