



CANADIAN
CO-OPERATIVE
ASSOCIATION



Child Care Co-operatives A Place in Canada's Universal Child Care Plan



**Presented to Social Development Canada
as part of their consultations on the Child Care Spaces Initiative**

September 8, 2006



The Canadian Co-operative Association (CCA) is a national association whose mandate is to promote, develop, and unite co-operatives and credit unions for the benefit of people in Canada and around the world.

CCA is a hub of the Canadian co-operative movement. A not-for-profit co-operative owned by its 31 members, CCA represents more than seven million co-operative and credit union members from over 3,000 organizations. Canadian co-ops and credit unions have over \$300-billion in assets and employ 155,000 people. Canada has one of the highest ratios of co-op membership in the world — one-in-three Canadians belong to a co-op or credit union.

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Thanks to the following for facts and information:

Organization for Parent Participation in Childcare and Education, Ontario The voice for co-operative childcare in Ontario. www.oppceo.org

BC Institute for Co-operative Studies
http://web.uvic.ca/bcics/research/social/Child_Care/index.htm

Co-operatives Secretariat http://coop.gc.ca/index_e.php

Child Care Co-operatives – A Place in Canada’s Universal Child Care Plan

The Canadian Co-operative Association included some comments on the Federal Government’s new child care plan in our April 2006 Pre- Budget Submission. This brief provides more information on child care co-operatives and the role that child care co-operatives can play in the creation of new child care spaces in Canada. Recommendations for federal government policy and funding are included at the end.

Communities form child care co-operatives when they want to have some control over and involvement in their children’s care and education. They range in size from very small co-ops that involve several families to large co-ops with many programs for children of different ages.

There are three basic types:

1. Preschool co-ops – play schools and nursery schools
2. Daycare co-ops, including before and after school programmes
3. Babysitting co-ops – a number of families in a community who decide to share free babysitting among themselves

The most common type in Canada is a preschool co-operative - also known as a nursery co-operative or a parent participation preschool – where children attend only part of the day for educational and socialization activities. Babysitting co-ops are more informal and are not incorporated.

Some Facts

Community members, including parents, have been operating co-operative child care services in Canada for over 65 years.

Using the Co-operatives Secretariat figures and other knowledge, we estimate there are approximately 1,000 child care co-operatives in Canada. This includes formal child care co-ops, non-profit organizations which operate as co-operatives (because provincial legislation does not allow child care co-ops), and parent participation programmes. 80% are pre school co-ops and 20% are full day child care co-ops. For purposes of this paper, we will refer to the latter as “daycare co-operatives” as they primarily serve working parents who need full time child care.

Ontario, Saskatchewan and Manitoba have the largest concentration of child care co-operatives. Many of these co-operatives arose through a period of development in the 1970s and 1980s. Today, they form an important part of the early childhood education sector, providing child care for almost 40,000 families.

In 2004 the federal Co-operatives Secretariat reported that there were 463 registered day care co-ops in the following provinces: Alberta – 1, Saskatchewan – 112, Manitoba – 46, Ontario- 275, Quebec – 15, New Brunswick – 5, Nova Scotia – 2, PEI – 1, and Newfoundland – 6. This data is only for those co-ops that reported to a voluntary annual survey.

Child care co-ops are the same as other co-ops in that they are democratic organizations owned and controlled by their members to meet their member’s needs for goods, services or jobs. While co-ops can be for-profit or not-for-profit, all child care co-ops are non-profit and use any surplus funds to increase or improve their services.

Most co-ops are incorporated provincially under a provincial co-operative statute setting out the corporate form and model of operation. It is possible to be incorporated federally under the Canada Cooperatives Act if the co-operative has a place of business in at least two provinces. Incorporation prevents individual members from being held liable for damage or debt and also allows the co-op to own property.

Child care co-ops were developed by parents, early childhood educators and community members. Parents are active on the Board of Directors, work on committees, and assist with various other tasks. They also have a chance to attend evening discussion groups, workshops, and lectures.

In Ontario the Day Nurseries Act recognizes parent involvement in the classroom, by including parent volunteers in the adult to child ratios. Parents complement the early childhood educators and assist with providing more adult supervision and support.

Co-ops get their revenues from fees charged to parents, minimal direct operating grants from municipal or provincial governments, and fund-raising. In some cases, the fundraising efforts are extensive and could be as high as \$50 – 60, 000.

In Ontario and British Columbia there are child care co-op councils that provide support to existing co-ops and assist groups that are starting out. Each co-op within a council maintains its autonomy, but receives support, helps to support others, and takes advantage of opportunities that are not available on a smaller scale. A good example is the Organization for Parent Participation in Childcare and Education, Ontario which is a voluntary association of three regional councils. It provides networking and communication, training for parents, directors and staff, resource materials, and insurance.

Why Support Child Care Co-operatives?

Co-operatives recognize the importance of people and communities defining their own needs and working together to meet those needs. They are a powerful and democratic way to put decision-making into the hands of those who need and use the services.

Co-operative childcare provides parents with an alternate choice which can be very satisfying for the **participating families** because the programs

- foster collaborative and co-operative practices that support healthy childhood development
- support early learning
- provide opportunities to meet other parents and their children
- support the whole family
- provide access to experts on child development
- provide opportunities to attend parent education workshops and meetings
- give parents opportunities to contribute their skills and existing abilities to benefit their child and the organization, including fund-raising
- provide practical ideas for helping the child at home and in other non-school settings
- enable parents to make decisions and vote on policies for the childcare co-op

The **children benefit** in a co-operative/parent participation program because they:

- participate in age appropriate early learning activities
- experience having their parent mutually share and participate in their activities at school
- have opportunities to experiment physically, socially, emotionally, and intellectually in a place specifically designed and equipped for their age group
- can be curious and creative in a positive safe atmosphere
- can participate both as individuals and as a member of a group
- experience a warm, accepting environment that supports and respects diversity

Starting New Child Care Co-ops

Child care co-operatives are usually formed by a group of parents, who elect a board of directors, hold community meetings, buy or rent space for the co-operative, and hire an early childhood educator. They often receive help from other resources such as a co-op developer, an existing co-operative, or a co-operative council. In some situations, an employer such as a university or a community group is quite involved in the organization. Child care co-ops have had difficulty starting in housing co-operatives or public housing situations.

All child care co-ops are incorporated, as this prevents individual members from being held liable for damage or debt, and also allows co-op members to own property and take out insurance together. In most provinces, including Ontario, child care co-ops are incorporated under provincial co-op acts. Unfortunately, child care co-ops cannot be incorporated in British Columbia.

All child care co-ops must be licensed by their province to ensure child care programmes meet such standards as safety, health, physical space, staff qualifications, and staff to child ratios. While it is very important to ensure a high quality of care for the children, it can take as long as three years for a new co-op to become licensed. In Ontario there are 14 different provincial Acts that affect child care co-ops.

The important issues to childcare co-ops are:

1. The time it takes to work through all the legislative barriers
2. On-going funding to create new co-operative licensed child care spaces
3. Funding to support the capital costs of operating a child care co-op
4. Support for training programs for parents and professional development programs of early childhood educators
5. Keeping child care costs affordable for low and middle income families
6. Support to early childhood centres located in rural Canada and low population areas

Recommendations for the Child Care Spaces Initiative

The Canadian Co-operative Association is pleased that the Federal Government is committed to the creation of 25,000 child care spaces per year and is consulting with stakeholders about how to proceed with the implementation of this goal.

We urge the Federal Government to develop policy that will enable parents and communities to use the co-operative model to meet their child care needs as follows:

1. Develop a strategy that provides funding to both existing and new child care co-ops. Some of the existing preschool co-ops could expand into full day care or could develop new locations or satellites.
2. Provide funding to child care networks or provincial co-op organizations to provide advisory services to new and existing child care co-ops. These services could include assistance with planning, incorporation, governance, development of policies and procedures, board training, and legislative requirements.
3. Provide funding for both the start-up and capital costs of creating new spaces within co-operatives, based on the number of spaces created.
4. Support the development of new models of child care co-ops through learning exchanges, seminars and pilot projects. Some of the new models could involve multi-stakeholder co-ops that include parents, early childhood educators, employers, service clubs or community groups.
5. Provide incentives or cost-sharing to enable provincial governments to provide operating subsidies to child care co-ops so that the fees are affordable.
6. Work with Canada Mortgage and Housing and the provinces to revise current policies that prevent child care centres from operating within rent geared to income, non-profit, and co-op housing.
7. Recognize that child care co-ops require on-going support and education services because of the high turnover of parents on co-op boards. Parents are only involved when their children are participating in the co-op programmes and this means there is a need for regular board training and orientation.

Next Steps

The Canadian Co-op Association would like to be involved in further consultations related to the creation of a federal child care strategy or programme. We are prepared to assist the government in connecting with the provincial co-operative organizations and child care co-ops in order to ensure grassroots involvement and input into your new policy.

