

Child care: public good, not private profit!

Too many families across Canada still can't find affordable, licensed child care. Instead of expanding access, some provincial governments and corporate lobbyists are pushing the wrong solution: expanding for-profit care. For-profit lowers quality, worsens access, and harms workers.

What is for-profit child care?

For-profit child care is owned and operated as a business. The goal is to make money. Any surplus funds go to owners and investors, instead of being reinvested into care. For-profit operators can range from small owner-operator centres to large corporate chains backed by private equity.

How is this different from public and non-profit child care?

Non-profit centres are run by community organizations or charities. Public centres are operated by governments (ex: municipal, Indigenous, school board). Surplus revenue is reinvested into improving care: new toys, upgrading facilities, increasing staffing, or boosting wages.

Why it matters

1. Public/non-profit is higher quality

For-profit centres score lower on quality measures.¹ In Quebec, a 2024 Auditor-General report found that nearly half of for-profit centres failed quality testing, while 89% of public/non-profit centres passed.² On average, for-profit means:

- Less training and professional development for staff
- Lower wages and poorer working conditions
- Higher staff turnover
- Fewer resources for programming³

Quality of care matters. Better care leads to better cognitive, social, and emotional outcomes for kids.

2. For-profit worsens access

For-profit operators set up shop where it is profitable, not where the need is greatest. This might improve access in wealthier urban areas in the short-term, while worsening access everywhere else. The majority of corporate child care chains are backed by private equity. Owners are motivated to sell the centres once they turn a profit, leaving workers without jobs, parents scrambling, and kids' early education disrupted.

Did you know?

Under the Canada-Wide Early Learning and Child Care program (CWELCC), both for-profit and public/non-profit centres charge parent fees, but the amount is capped (typically at \$10 a day).

They are both eligible for public funding, which means for-profit centres in the program are using public money to make profits!

For-profit: child care is a business.

Public/non-profit: child care is a public service.



3. Public/non-profit is better for workers

Public and non-profit centres offer better wages, benefits, and job stability.

- 93% of non-profit centres offer employee benefits (like health and dental plans, paid sick and vacation leave, pension contributions)
- Only 61% of for-profit centres offer any employee benefits⁵

As a result, non-profit centres have less staff turnover, which is better for kids.

4. For-profit is less inclusive

For-profit centres are less likely to invest in services for children with long-term conditions or disabilities.

- 81% of non-profit centres provide these supports compared to 67% of for-profit centres

5. For-profit child care bolsters corporate influence

As for-profit care expands, so does corporate lobbying power, which puts profit first and kids last. Industry groups have already won lower standards and reduced inspections. Their ultimate goal is a return to an unaffordable, market-driven patchwork system of lower quality care.

6. It's the law!

The *Canada Early Learning and Child Care Act* is clear: expansion should prioritize public and non-profit providers to ensure equitable access to high-quality care.

Child care is not a business opportunity—it's a critical public service.

The evidence is clear: non-profit and public child care delivers better quality, better outcomes for children, and better value for public investment.

CUPE will continue fighting to put children before profit.

1 Friendly, M. (2011). Quality of For-Profit, Non-Profit, and Public Child Care: A Research Overview, Childcare Resource and Research Unit. Canada. <https://coilink.org/20.500.12592/pwb4nb>

2 Rapport du Vérificateur général du Québec à l'Assemblée nationale pour l'année 2023-2024 : Qualité des services de garde éducatifs à l'enfance. https://www.vgq.qc.ca/Fichiers/Publications/rapport-annuel/208/VGO_mai2024_ch4_Qualite_SGEE.pdf

3 Statistics Canada (2023). Characteristics of child care centres serving children aged 0 to 5 years in Canada, 2021 to 2022 <https://doi.org/10.25318/36280001202300300001-eng>

4 <https://www.theglobeandmail.com/canada/article-quebec-universal-daycare-lessons-10-a-day/>

5 Statistics Canada (2023). Characteristics of child care centres serving children aged 0 to 5 years in Canada, 2021 to 2022 <https://doi.org/10.25318/36280001202300300001-eng>

6 Friendly, M. Vickerson, R., Mohamed, S., Rothman, L. & Nguyen, N. (2021). Risky business: Child care ownership in Canada past, present and future. <https://childcarecanada.org/publications/occasional-paper-series/21/06/riskybusiness-child-care-ownership-canada-past-present>

Allowing for the expansion of private daycare was the “biggest mistake the Quebec government committed in the last 25 years.”

Mathieu Lacombe,
Quebec Minister of Families, 2018-2022⁴