Evaluation and Analysis of Childcare BC Universal Prototype Sites

Final Report
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Table of Acronyms

Acronym	Name
ACCB	Affordable Child Care Benefit
AHS	Aboriginal Head Start
AHSABC	Aboriginal Head Start Association of British Columbia
AQI	Assessment of Quality Improvement
ASCD	Aboriginal Supported Child Development
CCFRI	Child Care Fee Reduction Initiative
CCOF	Child Care Operating Funding
ECE	Early Childhood Educator
ECE WE	Early Childhood Educator Wage Enhancement
ED	Executive Director
ELCC	Canada – British Columbia Early Learning and Child Care Agreement
LOVIT Way PEP	LOVIT Way Program Evaluation Process (PEP) (**Learning** about the Principles & Guidelines of Aboriginal Head Start (AHS) programs; **Observing** and witnessing our programs; **Valuing** what we do for our children and families; **Inspiring** our communities by planning together what we want to do; **Transforming** our programs into the best they can be!)
MCFD	British Columbia Ministry of Children and Family Development
PTS	Prototype Site
QI Grant	Quality Improvement Grant
SCD	Supported Child Development
SROI	Social Return on Investment
UCC	Universal Child Care
VCHA	Vancouver Coastal Health Authority

Executive Summary

In November 2018, the Province invested $60 million through its bilateral Early Learning and Child Care (ELCC) Agreement with the Government of Canada to convert approximately 2,500 existing licensed child care spaces across B.C. into low- to no-cost spaces at existing child care facilities (known as Prototype Sites). The Prototype Sites (PTSs) were evaluated over approximately a 16-month period, from November 2018 through March 2020. Amongst other objectives, the *Childcare BC Universal Prototype Sites* initiative and this evaluation intend to enhance the understanding of the cost of delivering child care and inform potential future investment in child care in B.C as part of the Province's long-term plan to transition to a universal child care system. The Province is in the process of negotiating a one-year extension in funding to the PTSs until March 31, 2021 to provide additional time to review project impacts and determine next steps for this initiative and others that are funded under the ELCC.

Highlighted below is a brief overview of the *Childcare BC Universal Prototype Sites* initiative, as well as R.A. Malatest and Associates' evaluation methodology and the key findings associated with the evaluation and analysis of the initiative. The evaluation was based on a comprehensive evaluation framework that collected data from parents, educators, PTS operators, sector partners and government stakeholders.

Brief Overview of the *Childcare BC Universal Prototype Sites* Initiative

The B.C. government is committed to giving families access to affordable, quality and inclusive child care. This commitment underpins the Province's 10-year *Childcare BC* plan.

As part of a new universal child care system in B.C., the Ministry of Children and Family Development (MCFD) will need to provide increased operational and financial support to existing licensed child care providers. The Universal Childcare Prototype Sites present an opportunity to evaluate a potential funding model over the course of 16 months in order to see what works and what could be improved. The lessons learned through these sites will help inform the next steps for government in implementing its long-term plan for a universal early care and learning system that will make life more affordable for B.C. families, while supporting the child care sector and building a strong, vibrant economy.

The purpose of the Prototype Sites is to:

1. Collect and provide data that is needed to inform a long-term funding model, including the cost of supporting various types of child care and the provincial impact of the funding model.
2. Identify the impacts of two alternate models of inclusive child care for children with support needs within select Prototype Sites and determine how they compare to the existing model of inclusive child care (Supported Child Development and Aboriginal Supported Child Development).
3. Examine:
    - Sustainability and cost effectiveness of PTSs;
    - Perception and experiences of families and child care operators in the PTSs; and
    - Overall impacts and outcomes of the PTSs, identifying best practices and considerations for the expansion of low-cost child care.

Brief Overview of the Evaluation Framework

In December 2018, MCFD contracted R.A. Malatest & Associates Ltd. to evaluate the effectiveness and impacts of the *Childcare BC Universal Prototype Sites* initiative.

The evaluation considers the sustainability of child care funding models, sustainability and effectiveness of inclusive child care models, the process of implementing the prototype sites, considerations for expanding the program province-wide and economic impacts and social return on provincial investment of the prototype sites.

It also determines the potential government gains from this investment (e.g., increase to the workforce/productivity, decreased dependence on government-funded financial support services such as income assistance).

Brief Overview of Methodology

Malatest evaluated the *Childcare BC Universal Prototype Sites* initiative using a mixed-methods approach that involved gathering qualitative and quantitative information and evidence from licensed child care providers, their staff and the families they serve to better understand the impacts of low- or no-cost child care for families and to inform future funding models (see 0).

Malatest conducted a review of PTS administrative data and visited each PTS three times. These visits involved:

- Collecting data including an observational assessment of child care quality using the Assessment for Quality Improvement (AQI);
- Interviews with the PTS ED/Site Supervisors;
- Focus groups with parents;
- Surveys with educators and families;
- A survey of Health Authority licensing officers and
- Interviews with Aboriginal Supported Child Development (ASCD) and Supported Child Development (SCD) representatives, PTS community partners, Ministry representatives and child care sector partners (in B.C. and Quebec).

While all of the participants in the *Childcare BC Universal Prototype Sites* initiative were selected due to their high-quality programming, Malatest used a quality assessment tool specific to this initiative to produce individual Prototype Site quality improvement reports detailing suggestions for how each site could best utilize the quality improvement grant as part of the initiative's funding.

Table 1.1 Key Evaluation Activities

	Site Visit 1 (January – March 2019)	Site Visit 2 (June – August 2019)	Site Visit 3 (January – March 2020)
Site Visits	n = 55 site visits	n = 55 site visits	n = 54 site visits*
Parent Surveys	n = 968 surveys (35% response rate)	--	n = 982 surveys (35% response rate)
Educator Surveys	n = 295 surveys (50% response rate)	--	n = 307 surveys (53% response rate)
Licensing Officer Surveys	--	n = 22 surveys (67% response rate)**	--
PTS ED/Site Supervisor Background Surveys	n = 68 surveys (100% response rate)	--	--
Parent Focus Groups	n = 55 groups (n = 523 participants)	--	53 groups*** (n = 476 participants)
Sector Partner Interviews	--	n = 33 interviews	--
Ministry Representative Interviews	--	--	n = 6 interviews (n = 10 participants)
Quebec Ministry and Child Care Sector Interviews	--	--	n = 5 interviews

*54 site visits rather than 55 because one PTS closed as of January 2020.
** Licensing officers from VCHA were not invited to participate, at the request of the health authority. Licensing officers that responded to the survey represented 45% of all PTS.
***48 regular focus groups; three inclusion-specific focus groups (in-person); two online inclusion-specific focus groups.

Key Findings

There was broad consensus that there is a need for universal affordable child care in B.C.
There is a very clear need for universal, or low-cost, child care in British Columbia; all data sources from the *Childcare BC Universal Prototype Sites* evaluation illuminated this need. Analysis of child care costs across Canada revealed that B.C.'s child care fees are the third highest in the country. A literature review highlighted the benefits of universal, high-quality and affordable child care, including significant increases in women's/mothers' labour force attachment and positive life-long impacts on children.

Those who were consulted (i.e., PTS ED/Site Supervisors and Ministry representatives) as part of the evaluation agreed that affordable, high-quality child care is needed in B.C. The PTS initiative represents an important step toward affordable, quality child care in the province; it aligns with the goals set by the provincial and federal governments and is consistent with the Canada-British Columbia ELCC Agreement and the Province's 10-year *Childcare BC* plan.

The structure of the initiative attracted many child care operators to apply to become Prototype Sites.
The risk-free structure of the PTS initiative encouraged a high level of interest among child care providers. Most providers noted that while they would have preferred more time to complete administrative tasks, implementation of the initiative was relatively easy. In general, participation in the initiative did not require any major changes to how PTSs operated, aside from additional reporting requirements.

The initiative had a larger impact on affordability than on quality and accessibility for families at the Prototype Sites.

In terms of affordability, capping parent fees at a maximum of $200/month ($10/day per child) at the PTSs was seen as a significant positive impact for parents and families. The majority of PTSs' parents surveyed felt they were paying the "right amount" in child care fees and noted positive financial impacts and significant change in their quality of life due to reduced child care fees.

Given that eligibility criteria for the PTS initiative selection process required that participants were already operating high quality licensed facilities, only modest improvements were observed in child care quality ratings, as depicted in Table 6.10. These changes can be attributed primarily to the provision of a Quality Improvement (QI) grant (a one-time payment of $1,100 per contracted child care space), rather than to the ability of PTS operators to independently implement quality improvements due to reduced financial pressures.

Table 1.2 PTS Child Care Quality Ratings by Site Type

		Site Visit 1 (2019)				Site Visit 3 (2020)				% Change (composite)
		AQI	Family Rating	Educator Rating	Composite Score	AQI	Family Rating	Educator Rating	Composite Score	
Overall		2.9	4.6	4.3	3.9	3.3	4.5	4.3	4.0	2.6%
Location	Urban	3.0	4.6	4.2	3.9	3.3	4.6	4.1	4.0	2.6%
	Rural	2.8	4.5	4.2	3.8	3.2	4.5	4.3	4.0	5.3%
Operating Model	Non-profit	3.0	4.5	4.1	3.8	3.3	4.5	4.0	3.9	2.6%
	Other	2.8	4.6	4.5	4.0	3.3	4.6	4.5	4.1	2.5%

Source: Site Visit 1 (2019) and Site Visit 3 (2020) Educator Survey, n = 300 and 294 respectively (aggregated to PTS-level, n = 46); Site Visit 1 (2019) and Site Visit 3 (2020) Family Survey, n = 995 and 982 respectively (aggregated to PTS-level, n = 52); Site Visit 1 and Site Visit 3 AQI assessments, n = 52.

The accessibility measure gave consideration both to accessibility of spaces to families and the accessibility of the program to children with support needs. The ability to provide inclusive child care was a factor in selecting child care providers for all of the prototype sites. The design of the initiative did not include an increase to the number of child care spaces in PTS facilities, however a small number of families (n=84) were newly able to access a child care space at a PTS post implementation, some of whom may not have been able to afford child care previously. With respect to the PTSs being accessible to children with support needs, EDs/Site Supervisors and educators at the PTSs reported feeling that the inclusivity of the site had been positively impacted by the initiative, in part due to enhanced training and the addition of learning resources and toys. Parents reported high levels of satisfaction with the inclusivity at the site, particularly with the PTS layout and the services and supports offered to help their children succeed.

The initiative had a major impact for families at the Prototype Sites.

The majority of families reported positive financial impacts such as increased household income, improved financial well-being, and the ability to pay down debt and increase savings. Families reported positive impacts to their work or school life, including some increase in labour force attachment, the ability to focus more on work, and having fewer absences from work or school.

Survey responses from parents in a population of interest - the 84 families who enrolled their children at a PTS after November 2018 when the initiative was implemented - were examined as they potentially

highlight the impact of gaining access to low-cost child care. Parents in this group were slightly more likely to report financial impacts than parents who had children enrolled at a PTS prior to November 2018. These parents were more likely than other parents to increase their labour force attachment, either by returning to work full-time, increasing the number of hours they worked, or being able to focus more on work in general (see 0) which overall increased their household income; the low-cost child care likely made the return to work more financially attractive. If the PTS initiative were expanded to include more families that are new to child care, it is likely that more positive impacts would be observed, similar to what was observed with the population of interest.

Table 1.3 Family Survey , Population of Interest Reported Financial Impacts of the PTS Initiative

Impact	Population of Interest	All PTS Families
Increased ability to save money	99%	93%
Increased ability to pay off debt	97%	93%
Increased disposable income	94%	90%
Reduced financial stress	93%	98%
Increased spending on extra-curricular activities	91%	90%
Improved housing stability	83%	92%
Increased ability to focus on work	69%	57%
Increased household income	65%	71%
Reduced absences from work or school	60%	36%
Return to work full-time	52%	30%
Increased hours worked	50%	34%
Return to school	16%	8%
Return to work part time	13%	8%

Source: Family Survey Site Visit 3 (2020), n = 982 (population of interest n = 84; all PTS families n = 898). Only valid responses are reported.

In addition to financial impacts, families reported impacts to their quality of life and well-being (see Table 1.4). These impacts did not differ for the population of interest.

Table 1.4 Family Survey, Reported Impacts to Well-being

Impact	Proportion of PTS families
Improved quality of life	98%
Improved family well-being	96%
Reduced family stress	96%
Improved mental health	93%
Improved family relationships	88%
Improved work-life balance	85%
Increased family quality time	82%
Improved physical health	82%
Reduced family social isolation	77%

Source: Family Survey Site Visit 3 (2020), n = 982. Only valid responses are reported.

The initiative had positive impacts on Prototype Site operators (owners, Executive Directors/Site Supervisors) and educators.

PTS operators experienced relieved financial pressure because they had guaranteed monthly funding that did not heavily rely on parents paying child care fees on time. They were able to improve the quality of care offered at their facilities and attend to facility maintenance needs using the Quality Improvement (QI) grant.

Educators at the PTSs reported positive impacts as a result of the initiative. Though some of the wage increases that PTS educators reported did not have scheduled wage increases outlined in their PTS applications, other educators received wage increases and additional benefits over the course of the initiative – many of which were scheduled prior to the PTS initiative and were not a direct result of the initiative.

The majority of educators surveyed were able to participate in professional development and training. In general, educators reported improved well-being and decreased work-related stress over the course of the initiative, and a larger proportion of educators reported an intention to stay employed in their current position when asked at the end of the evaluation period compared to the beginning.

PTS operators reported some challenges related to monthly reporting; for example, some found the reporting to be confusing and time consuming. Logistical challenges were reported when PTSs were part of a larger organization or network of child care facilities; for example, accounting processes were often set up to cover the entire organization and it was difficult to isolate expenses associated with just one program or child care facility.

Families and educators at Aboriginal Head Start (AHS) sites reported positive impacts

Families at AHS sites were more likely than Indigenous families at PTSs to report that the child care program helped to connect their children to the community, and to their culture, traditions, and language. AHS parents were also more likely to report positive impacts to their well-being and quality of life compared to Indigenous parents at PTSs. Overall, parents were satisfied with the quality of child care provided at the AHS sites and modest improvements in child care quality were observed from Site Visit 1 to Site Visit 3.

AHS site educators (n=12) reported positive impacts over the course of the evaluation. Educators reported improved well-being and reduced levels of work-related stress from the time the centres first opened (around the same time as the first survey) to the time of the second survey (approximately one-year later).

Families and PTS educators had generally positive experiences with the Inclusion Pilot Models.

Two Inclusion Pilot Models were evaluated: an Inclusion Support Model and an Inclusion Coordinator Model. In general, a strength of the Inclusion Pilot Models was that ECEs gained knowledge and expertise and were better equipped to support children with support needs. The Pilot Models also allowed for better communication between parents and educators compared to communication between parents and SCD/ASCD consultants, primarily because SCD/ASCD consultants did not work exclusively at the PTSs and therefore support was provided from an outside agency rather than internally. A limitation to both models was the ability to find ECEs with special-needs certification and/or expertise on inclusive child care.

Inclusion Coordinator PTSs benefited from having an Inclusion Coordinator on site. This resulted in a timely response when support needs were identified, as there was no need to wait for support from outside agencies that typically have long waitlists. Educators at these sites also benefited from in-house training and mentoring provided by the Inclusion Coordinator. PTSs did report some difficulty in hiring ECEs with appropriate skills and knowledge to fill the Inclusion Coordinator roles.
Inclusion Support PTS ED/Site Supervisors and families felt that a strength of the Inclusion Support Model was that the application for funding for a child with support needs was simple and straightforward. However, there were some concerns raised as to whether educators had the knowledge and experience to provide support to children with trauma-based and mental health challenges. EDs/Site Supervisors at these PTSs could have benefited from having access to subject matter expertise.

Funding for Prototype Sites needs to be refined

PTSs were funded on a cost-plus basis. The data gathered was informative, but more operational data is needed to determine a future financial structure. The monthly reporting of expenses and revenue by PTSs did result in the Ministry having a better understanding of the costs associated with delivering child care in B.C. However, some PTS operators reported challenges related to monthly reporting; for example, some found the reporting to be confusing and time consuming. Logistical challenges were reported when PTSs were part of a larger organization or network where organizational accounting processes were set up to cover the entire organization and it was difficult to isolate expenses associated with just one program or child care facility.

The PTS Initiative showed a 1.00:2.32 Social Return on Investment (SROI)

The total estimated value of social benefits was $102.94 million (see 0). The majority of this value consisted of benefits to PTS families ($100.91 million), followed by PTSs ($0.37 million), and the provincial government ($1.66 million). The total SROI ratio was 1.00:2.32 (when government investment in the PTS, including the QI grant is considered), suggesting that every $1.00 invested in the PTS initiative resulted in approximately $2.32 of social benefit. When the investment in the QI grant is excluded and only investment in affordable child care is considered, the SROI ratio increases to 1.00:2.45; for every $1 that the government spent on the initiative, $2.45 in value was generated. It should be noted that estimates are conservative and likely underestimate the actual return and that medium- to long-term outcomes were not assessed due to the short duration of the evaluation.

Table 1.5 Summary of Return on Investment for the *Childcare BC* Universal *Prototype Sites* Initiative

Stakeholder Group	Description of Benefit	n	Value ($ Million)
Families	Increased annual earnings	2,614	$23.42
	Savings on child care fees	2,614	$30.75
	Quality of life improvements	2,614	$46.74
Prototype Sites	Savings from reduced staff turnover	53	$0.37
Provincial Government	Reduced Affordable Child Care Benefit Payments	40*	$0.14
	Increased tax revenue due to higher annual earnings	--	$1.26
	Increased tax revenue due to QI grant injection into sector	--	$0.26
Value of Total Benefits Accrued			$102.94
Provincial Government	Investment in *Childcare BC Universal Prototype Sites* initiative (QI included)		$44.42
Ratio of Benefits Experienced to Investment Made			**2.32:1.00**
Provincial Government	Investment in *Childcare BC Universal Prototype Sites* initiative (QI removed)		$41.43
Ratio of Benefits Experienced to Investment Made			**2.45:1.00**

*The *n* reported here refers to the number of sites, as ACCB payments were made directly to child care sites. ACCB payment amounts were available for both pre-Initiative and during-Initiative periods for 40 of the 53 PTSs.

The evaluation revealed some unintended impacts of the initiative.

In the absence of province-wide affordable child care, parents showed a tendency to reserve more days than they required to ensure they would have the flexibility to have child care should they need it. PTSs reported lower-than-expected attendance rates and a reduction in utilization of child care spaces was observed over the course of the evaluation. Approximately 509 PTS-funded child care spots were unutilized each month, either due to absenteeism or not having a child enrolled in that spot.

While a sizeable proportion of families reported increased labour force attachment, a small proportion of parents reported a reduction in the number of jobs or number of hours they worked. As noted by parents in the focus groups, this is due to better work-life balance for these families who no longer needed to juggle more than one job to afford child care and other living expenses.

Future Considerations

Any expansion of affordable child care should consider incorporating several key Guiding Principles:

1. Continue to make payments to operators rather than to parents to help ensure the financial stability of operators.
2. Implement polices to encourage high levels of space utilization. The PTS initiative was characterized by above-average vacancies and below average attendance. The Ministry could impose penalties for spaces that are not being utilized or a mechanism that would encourage the child care to maintain higher utilization until universal child care is fully realized. Attendance thresholds could be considered until low-cost child care is more accessible; once it is widely available parents will be less likely to purchase space that they are unlikely to use.
3. Parent fee thresholds should balance affordability while promoting system effectiveness such that utilization would more closely match enrolment. A higher parent fee may help reduce the amount of space that is being purchased by parents who are unlikely to use all of the purchased space, which would also enable more parents to access low-cost child care.

4. Improve monitoring to confirm sites adhere to proposal elements (if applicable) and to confirm accuracy of reporting (e.g., attendance and enrollment).
5. Ensure operators are supported for providing data to the Ministry.
6. Include quality assessment and quality improvement mechanisms such as ECE workforce initiatives into any expansion of affordable child care in B.C. as these are essential elements of an effective child care system.
7. Ensure equity of access to low-cost child care. Some consideration should be given to enhance fairness of how children are selected for enrollment at the PTSs.

Four possible funding models that the Ministry could adapt for any future expansion of affordable child care in B.C have been identified:

1. Model A, Cost-plus Basic Model: This would be a replication of the original PTS funding approach. A benefit to using this model is that it would be appealing to child care operators, as it removes nearly all financial risk to the operator. The major disadvantage to this model is that it does not promote efficiency or equity; there would be considerable range in funding between sites.

2. Model B, Simple Funding Formula: Sites would be provided with funding on a per-child basis, with funding amounts based on the age of the child. 0 (on the following page) presents the simple funding formula, based on cost information collected from the PTSs.

Table 1.6 Simple Funding Formula

	Range in Cost per Child	ECE Median Hourly Wage (range)	Median	Trimmed Median	Trimmed Median +5%
In-Home	$618 to $1,780	--	$877	$877	$920
Infant-Toddler	$1,821 to $2,850	$25 ($23 to $31)	$2,109	$2,095	$2,200
3-5 Year Olds*	$862 to $3,078	$23 ($17 to $35)	$1,001	$1,169	$1,227
6-12 Year Olds**	$190 to $908	$24 ($20 to $29)	$322	$322	$338

Source: November 2018 to February 2020 Monthly Report Data.
Note: Calculations are based on removal of the highest and lowest cost/child sites (except for I/T costs for which only the highest cost site was removed due to the small number of I/T-only sites). These values assume parents are not paying fees.
*median after accounting for I/T spaces at centres that provide care to I/T and three to five year olds.
**PTS Application data.

Under the simple funding formula 55% (n=29) of all PTSs would receive the right amount of funding to cover their expenses. A small proportion of PTSs (17%, n=9) would not receive enough funding to cover their monthly expenses and 28% (n=15) would be overfunded by at least 15% based on their current operating expenses.

The benefit of the simple funding formula model would be to encourage efficiency in terms of child care funding and to provide an equitable level of funding; all operators would receive the same basic funding on the basis of the age of children in care rather than funding all costs incurred by operators. The main

drawback to this model is that not all child care operators could operate at the provided funding levels, meaning some sites would not be willing to opt-in to the program.

3. Model C, Complex Funding Formula: Sites would be provided with funding on a per-child basis, with funding amounts based on the child's age, plus additional adjustments for the location (urban or rural) and size of the facility. Table 9.11 presents a potential complex funding formula, though it should be noted that there is not enough data at this time to develop funding amounts for each category and the formula presented should be considered a starting point only.

Table 1.7 Complex Funding Formula

	Trimmed Median Cost/Child (+ 5%)	Regional Adjustment	Size Adjustment	
			< 50/site	> 50/site
In-Home	$920	Urban -5% ($875) Rural +5% ($966)	N/A	N/A
Infant-Toddler	$2,200	--	--	--
3-5 Year Olds	$1,227	Urban +10% ($1,350) Rural -10% ($1,099)	+10% ($1,485) +10% ($1,209)	-10% ($1,215) -10% ($989)
6-12 Year Olds	$338	Urban +5% ($355) Rural -5% ($321)	--	--

The complex funding model is geared to reflect the likely costs experienced by different types of operators, however it has been constructed using a very limited data set. Furthermore, the proposed funding model does not take into account the key cost drivers associated with child care: the variable compensation costs (salary and benefits) offered by operators. The complex funding model can be further adjusted to provide additional financial resources for operators to accept potential higher cost children, including children with support needs, ESL children, and/or other children from pre-defined equity groups.

The benefit of the complex funding formula is that the model promotes efficiency but also provides accommodation for the different costs incurred by operators with different child care centres, costs, such as in an urban versus rural environments. The main drawback to this model is that there is insufficient data to develop comprehensive funding amounts and adjustments at this point, and not all child care operators could operate under the suggested funding amounts.

4. Model D, Comprehensive Proposal Model (Grant or Block Funding): Grant or block funding up to a maximum amount would be provided to selected child care sites based on the proposals submitted. In their proposals, operators would have to indicate how they plan to increase access or quality with the provided funding. In this model, the Ministry has the ability to directly influence affordability, accessibility, and quality by defining the importance of these attributes as part of the RFP process. This model gets away from a one-size-fits-all model and allows operators the flexibility to develop a set of programs/services that best meet the needs of their community. The benefit of this approach is that the funding would allow for considerable flexibility and innovation in terms of how operators would modify their operations if they were selected for the block funding. In essence, this model could support all three pillars of a robust child care policy: increased affordability, increased access, and increased quality. The main

drawback to this model is that it would require a high-level of support and resources from the Ministry to administer.

Comparative Funding Model Analysis

Highlighted in Table 1.8 is a relative comparison of the extent to which each of the proposed funding models support the goals of affordability, accessibility, quality, and efficiency, as well as the level of Ministry program administration associated with the model.

Table 1.8 Comparative Model Analysis

	Supports Affordability	Supports Access	Supports Quality	Supports Efficiency	Level of Ministry Administration
Model A	Yes	No	Only with additional funding targeted at supporting quality improvements	No	Average-high
Model B	Yes	Potentially yes	Only with additional funding targeted at supporting quality improvements	Yes	Average
Model C	Yes	Potentially yes	Only with additional funding targeted at supporting quality improvements	Yes	Average-high
Model D	Yes	Potentially yes	Potentially yes	Unknown	High

SECTION 1: INTRODUCTION

In November 2018, $60 million in funding was provided under the Canada-B.C. ELCC Bilateral Agreement to convert approximately 2,500 existing licensed child care spaces across B.C. into low- to no-cost spaces. As part of the Government's 10-year *Childcare BC Plan*, the *Childcare BC Universal Prototype Sites* initiative provided funding and operational support to 53 selected licensed child care centres (known as Prototype Sites or PTS). The PTSs plus two Aboriginal Head Start (AHS) centres were funded and evaluated for approximately 16 months. Amongst other objectives, the evaluation was intended to gather data and enhance the understanding of the cost of delivering child care and inform potential future investment in child care in B.C. As part of the funding agreement, each PTS was required to participate in the evaluation of the *Childcare BC Universal Prototype Sites.* The B.C. Ministry of Children and Family Development *(*MCFD) will use the information derived from the evaluation to help inform B.C.'s transition to a more affordable child care system for B.C. families over the next 10 years.

1.1 Purpose of Evaluation

MCFD contracted R.A. Malatest and Associates Ltd. (Malatest) to evaluate the *Childcare BC Universal Prototype Sites* initiative. Malatest evaluated the PTS initiative using a mixed-methods approach by gathering qualitative and quantitative information from licensed child care providers, their staff members, and the families they serve. The evaluation had the following objectives:

- Assess the implementation of the initiative;
- Assess the impact of the initiative on child care providers, educators, and families;
- Assess the impact of the initiative on the provision of quality child care;
- Identify lessons learned/best practices that can be used to improve the design, delivery, and effectiveness of future child care funding initiatives;
- Inform potential future investment in child care in B.C.;
- Assess the potential economic impact and social return of the initiative and sustainability of child care funding models in B.C.; and
- Enhance understanding of the cost of delivering child care.

In the interest of ensuring MCFD has a clear understanding of ways they can effectively support families of children with support needs, Malatest concurrently evaluated an *Inclusion Pilot Project* in which selected PTSs piloted alternative models of inclusive child care (see Section 2.3, or the Preliminary Review Report, for full details). Additionally, Malatest evaluated two Aboriginal Head Start (AHS) child care programs that were not part of the PTS initiative (they were fully funded through AHS expansion funding provided by the B.C.-Canada ELCC Agreement) but participated in the evaluation to aid in understanding the strengths and limitations of the current AHS model as one model of delivering child care to Indigenous communities.

The evaluation of the *Childcare BC Universal Prototype Sites* initiative followed a baseline-post design where data was collected from the PTSs (n = 53 plus two Aboriginal Head Start sites) over a 16-month time period as shown in Table 1.1.

Table 1.1 Evaluation Data Collection Schedule

Site Visit 1	Site Visit 2	Site Visit 3
Baseline Timing:	**Timing:**	**One Year Post Timing:**
January 9-March 5, 2019	June 3-August 28, 2019	December 10, 2019-March 5, 2020

1.2 Purpose of the Report

The purpose of this report is to provide a summary of evaluation findings. The report highlights the impacts and outcomes of the *Childcare BC Universal Prototype Sites* initiative on the affordability and quality of child care. The report summarizes impacts of the initiative on PTS educators and families. The report also presents a summary of PTS operating costs, an analysis of the Social Return on Investment (SROI) and considerations for the future roll-out and funding models for universal child care.

The data sources[1] used to produce this report include the following:

- A review of PTS administrative data (e.g., PTS applications and monthly report data);
- Three site visits to PTSs, including interviews with executive directors (EDs)/Site Supervisors, focus groups with parents, and observational quality assessments [Site Visits 1 (2019) and 3 (2020)];
- A PTS ED/Site Supervisor background survey [Site Visit 1 (2019)];
- Two PTS educator surveys [Site Visits 1 (2019) and 3 (2020)];
- Two PTS family surveys [Site Visits 1 (2019) and 3 (2020)];
- Interviews with Supported Child Development/Aboriginal Supported Child Development representatives and PTS sector partners and community partners;
- A PTS child care licensing officer survey;
- Interviews with MCFD representatives; and
- Consultation with child care sector partners and government representatives from Quebec's Ministère des Enfants.

[1] Refer to the Technical Report for copies of data collection instruments.

SECTION 2: OVERVIEW OF THE CHILDCARE BC UNIVERSAL PROTOTYPE SITE INITIATIVE

With the goal of moving towards universal child care over a 10-year period, B.C. launched the *Universal Prototype Site initiative* in 2018 as part of its 10-year *Childcare BC* plan, which outlines three pillars, or areas of focus: accessibility, affordability and quality. The PTS initiative primarily aimed to address the affordability of child care throughout B.C., with a secondary focus on quality and on providing inclusive care to children with support needs.

The *Childcare BC Plan* focuses on improving the affordability of care throughout the province, starting with infant and toddler (I/T) care. I/T care carries a higher per-child cost compared to older age groups due to higher educator-to-child ratio requirements, and higher wages for educators with an I/T specialization. Under the PTS initiative, selected sites had to offer care to infant and toddler aged children and affordability was addressed by requiring PTSs to cap their parent fees at a maximum of $10 per day ($200/month when enrolled in full-time care). Parents with children enrolled at a PTS could still be charged for extracurricular activities, meal programs, or special events, on top of the base fee.

In addition to making child care more affordable, the initiative also addressed the quality of care through Quality Improvement (QI) grants that were issued to all PTSs. The QI grant provided a one-time payment to each PTS in the amount of $1,100 per contracted child care space. QI funding issued to PTSs could be used to implement site-specific quality enhancements.

In March 2019, Malatest provided each PTS site with a Site Visit Summary Report unique to their site that included suggested improvements based on the Assessment of Quality Improvement (AQI) tool administered during the initial site visit, parent and educator feedback, and an interview with the ED/Site Supervisor. The implementation of the quality improvements for each PTS was monitored as part of the initiative. QI funding was intended to be spent prior to March 31, 2020. Quality improvements focused on five areas:

1. Improvements to structural safety or inclusiveness;
2. Enhanced cultural inclusivity for children and/or staff members;
3. Improved access to the physical space;
4. Enhanced ongoing experience and/or learning for current and future children at the centre; and/or
5. Enhanced access to professional development and training.[2]

A further goal of the initiative was to enhance equity in child care delivery to ensure access to inclusive child care programs. Therefore, investment was targeted to reach underserved communities such as Indigenous families and families with children who require support. Inclusive child care and support for underserved communities were both part of the application and selection criteria for the *Universal Prototype Site initiative.* In order to better serve children with support needs who are enrolled in PTS child care programs, two alternate Inclusion Pilot Models were developed as part of the initiative under an *Inclusion Pilot Project*: the Inclusion Coordinator Funding Model and the Inclusion Support Funding Model, both of which are discussed below (see Section 2.3).

[2] Due to the one-time only nature of the QI Grant, PTSs could not use any part of the QI grant funding in a manner that would result in ongoing cost pressures.

2.1 Prototype Sites

In June 2018, applications to participate in the *Childcare BC Universal Prototype Sites* initiative[3] were submitted by licensed child care providers. To be eligible to participate in the initiative, child care facilities had to meet 11 requirements including all of the following:

1) Provide licensed child care for infants and toddlers under 36 months of age (the facility could also provide other licensed child care programs);
2) Have been enrolled in the Child Care Operating Funding (CCOF) Program for the past two consecutive years, making them familiar with government's reporting requirements;
3) Have been accepted into the Child Care Fee Reduction Initiative (CCFRI) at the time of their application; and
4) Have been in good standing with their health authority and MCFD.

MCFD reviewed applicants' policy guides and/or handbooks to verify that facilities had comprehensive, transparent, and inclusive policies consistent with the principles and objectives of the *Childcare BC Universal Prototype Sites* initiative. PTSs needed to demonstrate high quality care[4], a commitment to diversity and social inclusion, provide a commitment or list of services and/or supports for children with support needs, and also needed to describe the role of families in the facility. A total of 53[5] PTSs were selected from a review of more than 300 applications. Selection criteria ensured factors such as the diversity of B.C.'s geography, population, care types, and operating models would be represented among selected sites. PTSs were selected to ensure that the range of sites would provide the Province with a deeper understanding of what contributes to quality child care, a sustainable and engaged workforce, and effective organizational structures that support universal child care. Table 2.1 displays a breakdown of PTSs by operating model and location.

Table 2.1 Diversity of Prototype Sites

	Non-Profit (n = 33)			Other Operating Models (n = 20)			Urban (n = 36)			Rural (n = 17)			Total
	Min.	Max.	Avg.	Min.	Max.	Avg.	Min.	Max.	Avg.	Min.	Max.	Avg.	
Number of children[1]	15	343	67	7	75	34	7	343	60	11	123	43	2,639
Number of families[2]	15	265	56	5	68	29	5	265	51	8	81	34	2,189
Number of educators[3]	4	56	13	1	18	8	2	56	13	1	23	9	568

[1]Number of children from February 2020 PTS Monthly Report enrollment data.
[2]Number of educators estimated from application data and confirmed or updated by child care operators in summer 2019.
[3]Number of families determined from February 2020 PTS Monthly Report enrollment data.

[3] Universal Child Care Prototype Sites Operators Manual-V1.
[4] High quality care was defined as: implementing all or part of the *Early Learning Framework*; using a quality or environmental assessment tool; having informed early learning practices and staff training practices; participation in early childhood committees, organizations, or associations, and accessing community resources such as libraries.
[5] 52 PTS as of January 2020.

Prototype Sites consisted of a variety of child care license types:

- Group Under 36 Months;
- Group 30 Months to School Age;
- Preschool;
- Group School Age;
- Group Multi-Age;
- In-House Multi-Age; and
- Family Child Care.

The PTSs were initially funded from November 1 or December 1, 2018 to March 31, 2020; PTSs will continue to be operational until March 2021, as the Province and the Government of Canada are currently negotiating a funding extension to their bilateral ELCC Agreement. For a listing of all the Prototype Sites, locations, licensed spaces, and Inclusion Pilot participation, see Appendix A. The monthly parent fees for all types of care at a Prototype Site are shown in Table 2.2.

Table 2.2 Maximum Monthly Parental Fees and Type of Enrollment

Type of Enrollment	Maximum Fee
Full days (more than four hours), full-time (M-F)*	$200/month
Full days, part time (e.g., full day, 3x per week)	$10/day to a maximum of $200/month
Half days (four hours or less), full-time (M-F)*	$140/month
Half days, part time (e.g., half day, 3x per week)	$7/day to a maximum of $140 per month

*Full-time as per existing hours of service; does not include extended hours.

2.1.2 Establishing Rapport with Prototype Sites

Initial communication between the dedicated Ministry staff and the PTSs was critical to reassuring PTS management as to the validity of the evaluation and providing endorsement that Malatest was working in collaboration with MFCD to conduct the *Childcare BC Universal Prototype Sites* initiative evaluation. It was also critical in terms of encouraging the PTSs to complete monthly reports and work with the Ministry to ensure reporting was accurate and consistent across all sites.

Following the initial introduction of Malatest to the PTSs via a webinar, the Malatest evaluation team contacted all PTSs (generally the Owner/Operator or ED/Site Supervisor was the main contact) by email to introduce the evaluation and the evaluation team. A Frequently Asked Questions (FAQ) document for PTSs was attached to the email for reference. A follow-up email was sent to each PTS outlining the data collection activities, date for the first round of site visits, and schedule of the interviews/debriefs. Attached to the email were some branded marketing materials to help the site inform parents about the evaluation and recruit their participation, including a promotional poster, promotional flyer, and a Frequently Asked Questions (FAQ) document for families.[6]

[6] Copies of these documents can be found in the Technical Report.

The email was followed up with a phone call to confirm the data collection process for the site. Items discussed in the phone call included:

- Site visit dates and space/resource requirements;
- Daily schedule for the site visit data collection activities; and
- Method of gathering consent and contact information for the family survey.

Malatest worked toward developing a strong, trust-based relationship with each PTS. The evaluation team relied on the PTSs to aid with coordination and recruitment for data collection, as well as to participate in data collection themselves. As such, a good rapport between PTSs and the evaluators was crucial to the coordination of access to sites' educators and families, and to ensure successful data collection.

2.2 Aboriginal Head Start Sites

Aboriginal Head Start (AHS) sites were not part of the PTS initiative and were participating in the evaluation to aid in understanding strengths and limitations of the AHS model as one model of delivering child care to Indigenous communities. AHS sites were fully funded through AHS expansion funding (provided by the B.C.-Canada ELCC Agreement) and do not charge a parent fee. As a result, these sites were not eligible for the PTS funding or any initiatives related to this, including the QI grants; however, MCFD did transfer funds to the Aboriginal Head Start Association of British Columbia (AHSABC) to support the AHS sites' participation in the evaluation. The AHS sites were exempt from monthly reporting that PTSs were required to submit.

2.3 Inclusion Pilot Project

As a component of the *Childcare BC Universal Prototype Sites* initiative, MCFD also conducted an *Inclusion Pilot Project*[7,8] to explore additional funding approaches to including children with support needs[9] in child care programs. The Pilot was intended to explore ways to enhance support for children with support needs and was not intended to replace the two support programs currently operating: Supported Child Development (SCD) and Aboriginal Supported Child Development (ASCD). The two alternative funding models piloted were the *Inclusion Coordinator Funding Model* (n = 9) and the *Inclusion Support Funding Model* (n = 3). One additional site participated in the Pilot and operated under a modified Inclusion Coordinator Model due to the site's inability to hire an Inclusion Coordinator.

[7] Inclusion Pilot Project: Evaluating Alternate Models to Funding Inclusive Child Care.
[8] Inclusion Pilot FAQ.
[9] "Children with support needs" refers to children requiring support beyond that required by children in general; that is, children who are differently abled in physical, cognitive, social, emotional, communicative, and/or behavioural area(s).

SECTION 3: EVALUATION APPROACH AND METHODOLOGY

This section describes the evaluation methodology, data collection methods, data analysis plan, and limitations and mitigation strategies.

3.1 Development of Evaluation Framework and Evaluation Questions

Malatest conducted a literature review and jurisdictional scan to inform the *Childcare BC Universal Prototype Sites* initiative evaluation framework (see Appendix B) and Social Return on Investment (SROI) impact map (see Section 9.4.3). This review focused on expected outcomes and social benefits of quality child care and the elements that research has demonstrated are required for successful outcomes. Information collected from the literature review helped inform appropriate outcome measures and indicators, evaluation questions, and proxy measures for the SROI.

Literature reviewed included journal articles, statistics, reports, and other documentation using both publicly available search tools (e.g., Google Scholar) and academic literature databases. Literature was consulted and reviewed on an as-needed and ongoing basis (e.g., the Alberta funding model, the Quebec funding model).

The evaluation questions presented below, and in the Evaluation Framework Matrix, were developed based on input from the following sources:

- Document and literature review;
- Consultation with subject matter experts; and
- Validation sessions:
    - December 17, 2018 with subject matter experts and
    - December 19, 2018 with MCFD.

The evaluation framework outlined the different phases of research and helped to ensure a strong and defensible evaluation and SROI analysis. It served as a foundation and guide for the various phases of the *Childcare BC Universal Prototype Sites* initiative evaluation. The key issues examined in the evaluation were related to relevance, performance (effectiveness), performance (efficiency and economy), and sustainability.

Relevance

1. What is the nature and level of need for Universal Child Care in B.C.?
2. How does the initiative align with the B.C. government's priorities and goals?
3. How does the initiative align with the federal government's priorities and goals?

Performance (Effectiveness)

4. Was the initiative implemented as intended?
5. What factors facilitated or hindered implementation?
6. What are the lessons learned from the implementation that can be used to inform program design, delivery, and effectiveness going forward?
7. How did collaborations/partnerships support initiative implementation?
8. Were the quality improvement recommendations implemented as planned?
9. Did the initiative meet the child care needs of the target group(s)?

   a. Have parents/caregivers noticed any changes to the quality of child care since implementation of the initiative?
   b. Are there target groups at Prototype Sites whose needs remain unmet?
10. Are any changes needed to improve the child care centre?
11. How has the initiative impacted family/child psychosocial well-being?
12. Were there any unintended (positive or negative) outcomes resulting from the initiative?
13. Did the implementation of the initiative impact accessibility of child care at Prototype Sites?
14. Did the implementation of the initiative impact affordability of child care for families at Prototype Sites?
15. Did the implementation of the initiative impact the quality of child care at Prototype Sites?
16. What other impacts has the initiative had on Prototype Sites?
17. Did the implementation of the initiative impact the inclusivity of child care at Prototype Sites?
18. Did staff at Prototype Sites report any changes to economic security or wellbeing as a result of the initiative?
19. What are the strengths and weaknesses of the child care funding model at the Prototype Sites?
   a. Do strengths and weaknesses vary by child care site/type?

Performance (Economy and Efficiency)

20. What is the cost of service delivery for universal child care by region and by type?
21. How could service delivery be more efficient (in terms of cost or resource utilization)?
22. What are the lessons learned from implementation that can be used to inform future investments going forward?
23. Did the initiative have an effect on in-kind contributions or leveraging of funds?

Sustainability

24. What factors support or hinder sustainability of the initiative?
25. What funding formula should be used in 2020 and beyond for the Prototype Sites?
26. What funding formula should be used for province-wide universal child care?
27. What core services should government pay for when providing universal child care?

Inclusion Pilot Sites Only

28. What are the strengths and limitations of each inclusive child care funding model?
29. For Prototype Sites who were invited to participate in the Inclusion Pilot but declined, what factors contributed to their decision not to participate?

3.2 Data Collection Overview

A variety of data collection activities occurred as part of this evaluation (see 0). Malatest conducted a review of PTS administrative data and three site visits to each PTS. Data collection activities undertaken during the site visits include an observational assessment of child care quality using the Assessment for Quality Improvement (AQI), interviews with the PTS ED/Site Supervisor, focus groups with parents and surveys with educators and families. In addition to the administrative data review and data collected during the site visits, Malatest also completed a survey of licensing officers and interviews with Aboriginal Supported Child Development (ASCD) and Supported Child Development (SCD), PTS community partners, sector partners, and Ministry representatives (in B.C. and Quebec). For more

information on the data collection activities please refer to the Preliminary Review Report.[10] For more information on the characteristics of the survey respondents please see the Technical Appendix.

Table 3.1 Data Collection Summary

	Site Visit 1 (2019)	Site Visit 2 (2019)	Site Visit 3 (2020)
Site Visits	n = 55 site visits	n = 55 site visits	n = 54 site visits*
Parent Surveys	n = 968 surveys (35% response rate)	--	n = 903 surveys (35% response rate)
Educator Surveys	n = 295 surveys (50% response rate)	--	n = 307 surveys (53% response rate)
Licensing Officer Surveys	--	n = 22 surveys (67% response rate)**	--
PTS ED/Site Supervisor Background Surveys	n = 68 surveys (100% response rate)	--	--
Parent Focus Groups	n = 55 groups (n = 523 participants)	--	53 groups*** (n = 476 participants)
Sector Partner Interviews	--	n = 33 interviews	--
Ministry Representative Interviews	--	--	n = 6 interviews (n = 10 participants)
Quebec Ministry and Child Care Sector Partner Interviews	--	--	n = 5 interviews

*54 site visits rather than 55 because one PTS closed as of January 2020.
** Licensing officer from Vancouver Coastal Health Authority (VCHA) were not invited to participate, at the request of the health authority. Licensing officers that responded to the survey represented 45% of all PTS.
***48 regular focus groups; three inclusion-specific focus groups (in-person); two online inclusion-specific focus groups.

3.3 Site Visits 1 and 3

Over the period of the evaluation, three site visits were conducted at each of the PTSs. 0 highlights the activities completed at the first and third site visits, as well as the timing of the visits. Malatest worked to mitigate any impacts of the site visits on the PTSs and ensured that all daily activities could continue largely unhindered.

[10] Preliminary Review Report, January 2020.

Table 3.2 Site Visit 1 and 3 Activities and Schedule

	Site Visit 1	Site Visit 3
Activities	Quality assessment: Assessment for Quality Improvement (AQI) and The LOVIT Way Program Evaluation Process (PEP) ED/Site Supervisor interview Educator survey administration Family survey administration Family focus group Executive Director/Site Supervisor background survey	Quality assessment: Assessment for Quality Improvement (AQI) and The LOVIT Way Program Evaluation Process (PEP) ED/Site Supervisor interview Educator survey administration Family survey administration Family focus group
Timing	January-March 2019	January-March 2020

Note: The LOVIT Way PEP was used in addition to AQI at Indigenous-led PTSs and AHS sites (n = 4).

3.3.1 Child Care Quality Assessment

To assess quality at the child care sites, Malatest collected data from three difference perspectives: parents, educators, and observational assessments conducted by evaluators. Parents and educators were asked to rate their satisfaction with a variety of domains of quality (e.g., the facility, learning resources and toys, communication and interaction, etc.).

Quality assessments based on observation were completed for each[11] classroom at each site using the AQI, a Canadian-validated quality rating improvement system for use in early learning environments. The AQI was developed to be used as a guideline for child care providers who have a service contract with the City of Toronto and by other child care organizations across Ontario who have made requests to use the tool. The tool was validated in partnership with the Ontario Institute for Studies in Education (OISE) at the University of Toronto. Part of the validation process of the AQI involved administering other validated tools: the Classroom Assessment Scoring System (CLASS), the Infant/Toddler Environment Rating Scale (ITERS), and the Early Childhood Environment Rating Scale (ECERS). Results of the AQI were found to be similar to the results of these validated tools.

The AQI evaluates three main areas of quality:[12]

1. Programming: What the children are doing while at the centre;
2. Learning Environment: Expectations related to the play; and
3. Interactions: How the staff/educators interact with the children, which is a key component of quality child care.

Evaluators from Malatest were trained during a workshop hosted by Toronto AQI representatives and completed a test for inter-rater reliability; all evaluators scored 80% or higher before being permitted to conduct site observations at the PTSs.

[11] Assessments were completed in all classrooms unless the PTS had multiple classrooms of the same age group (e.g., toddler or preschool). In this case, at larger PTS, an assessment was completed on one, randomly selected, classroom.
[12] https://www.toronto.ca/community-people/children-parenting/children-programs-activities/licensed-child-care/quality-ratings-for-child-care-centres/.

The AQI tool has not been validated with Indigenous child care centres; however, many of the items are still relevant and applicable and therefore, the AQI tool was used at AHS and Indigenous-led Child Care PTSs during Site Visits 1 and 3. To accurately and appropriately assess child care quality at the AHS and Indigenous-led Child Care PTSs, Malatest collaborated with the Aboriginal Head Start Association of British Columbia (AHSABC), who accompanied Malatest's evaluators to two PTSs during Site Visit 1 and four PTSs during Site Visit 2 to complete the LOVIT Program Evaluation Process (PEP). While the LOVIT tool is not yet publicly available, Malatest received permission to use the tool and three researchers attended a three-day training workshop facilitated by the AHSABC team (May 22-24, 2019).

The LOVIT is a culturally sensitive evaluation tool that was developed by AHSABC with substantial input from the AHS community. It is based on the AHS Principles and Guidelines. The tool was developed to encourage reflective practice and is strength-based; it highlights areas where the program is doing well and identifies areas that are priorities for growth. A trained LOVIT facilitator leads the evaluation and program staff, community members, and parents are encouraged to participate. The LOVIT considers nine domains:

1. AHS beliefs and values;
2. Culture and language;
3. Education;
4. Health promotion;
5. Nutrition;
6. Social support;
7. Parent family involvement;
8. Accountability and management; and
9. Leadership and staffing.

3.3.2 Focus Groups for Parents of Children with Support Needs

Unique to Site Visit 3 were inclusion-specific focus groups with parents of children with support needs. Malatest conducted inclusion-specific focus groups at 3 of the 52 PTSs (see Table 3.3 for a complete list of sites). Two additional focus groups were conducted online: one online focus group for parents of children with support needs from Inclusion Model PTSs and another online focus group with parents of children with support needs from PTSs not participating in the Inclusion Model Pilot. The purpose of these focus groups was to understand how Inclusion Pilot Models (both existing and new) were working from the families' perspective.

Table 3.3 Inclusion-Specific Focus Group Locations

PTS and Location	Inclusion Model
Online focus group open to parents from all Inclusion Pilot Model PTSs	--
Online focus group open to parents of children with support needs, not in Inclusion Pilot Model PTSs	--
Hastings Park / Kiwassa (Vancouver)	Inclusion Coordinator
Elm Drive YMCA Child Care (Chilliwack)	Inclusion Support
Kamloops Child Development Centre (Kamloops)	Existing model

3.4 Site Visit 2

Table 3.4 highlights the activities that were completed during Site Visit 2, as well as the timing of the visits. Evaluators consulted with ED/Site Supervisors to discuss use of the QI grants at the PTS, any challenges encountered trying to use the QI grant, and future plans for remaining QI grant funds. ED/Site Supervisors were asked to comment on any impacts of the PTS initiative that they had observed and were asked for their opinions on the future roll out of affordable child care in B.C.

Table 3.4 Site Visit 2 Activities and Schedule

Site Visit 2	
Activities	ED/Site Supervisor interview In-person sector partner interviews (e.g., PTS community partners and Elders)
Timing	June - August 2019

3.5 Data Analysis

Qualitative and quantitative data were collected and analyzed as part of this evaluation. The approaches to analysis of each type of data are described below.

3.5.1 Qualitative data

Qualitative data (i.e., collected via interviews and focus groups) was analyzed using thematic analysis, which relies on both inductive and/or deductive analysis. A coding framework was developed based on a literature review and preliminary review of the qualitative data. The framework was revised as new themes/codes emerged from the data. Once a first round of coding had been completed and the framework finalized, a second round of coding was conducted to ensure all themes/codes were captured. To quantify responses, “all,” “most,” “some,” and “few” have been used. “Most” has been used when over one-half, but not all, respondents mentioned a specific theme or idea, “some” has been used when less than one-half of respondents mentioned a theme or idea, and “few” has been used when only a few respondents mentioned a theme or idea.

To highlight comments in the report, speech bubbles and a world cloud were used. Speech bubbles present quotes from PTS parents, educators, and ED/Site Supervisors. A word cloud illustrates common impacts reported by PTS parents during the focus groups.

3.5.2 Quantitative data

Quantitative data (e.g., survey data) was derived from a number of analytic variables from the close- and coded open-ended survey responses in order to provide different avenues of analysis. A variety of data analysis techniques have been used on the data collected for this evaluation:

- Descriptive analysis of administrative financial, enrollment, and attendance data;
- Descriptive analysis of survey responses;
- Cross-tabulations and inferential analysis of group differences (e.g., t-tests or chi-square analysis based on PTS characteristics and parent/family characteristics); and
- Comparison of Site Visit 1 (2019) and Site Visit 3 (2020) data, where possible/appropriate.

Descriptive analysis has generated frequencies, proportions, and means for each survey question, as appropriate. Frequencies have been generated for questions where respondents are required to select their answer from an existing set of possible answers. Frequencies are presented as the percentage of

respondents who selected each of the possible answers. Descriptive statistics (e.g., means and standard deviations) have been generated for questions where respondents were asked to provide a number for a response (e.g., number of children), or where respondents used a Likert scale to provide a rating. Cross-tabulation and t-tests or chi-square analyses were conducted to better understand the impact of different factors on outcomes. Cross-tabulations were completed based on the following variables (as data allowed):

- Cross-tabulation and t-tests or chi-square were used to explore differences in impacts and outcomes based on PTS characteristics:
  - Rural vs. urban location of the site,
  - Site license type and age of children cared for,
  - Prototype Site Model (i.e., regular Prototype Site, Inclusion Pilot Model, and Aboriginal Head Start), and
  - Child care quality; and
- Cluster analysis was used to group Family Survey respondents based on demographic variables:
  - Income,
  - Length of time in Canada,
  - Children with support needs, and
  - Indigenous self-declaration.

Impacts and outcomes of the initiative were examined by the family clusters/groups that were identified.

Cross-tabulation analysis determined whether respondents' answers differed between each of the factors of interest (e.g., whether or not satisfaction with child care quality was different for parents from rural communities as compared to parents from urban communities). Chi-square analysis and t-tests highlighted differences in proportions and means by group that were statistically significant; that is, whether or not group membership was related to how parents or educators responded to survey items. This analysis allowed for a better understanding of the importance of the different factors on outcomes.

3.5.3 PTS Groupings

The characteristics of PTSs were considered for later analysis of cost-related factors; PTSs were grouped accordingly. Drawing from literature reviews and information from other jurisdictions that had implemented universal or low-cost child care, some factors that influence cost were considered. These factors justified the creation of the following groupings, which were used to compare impacts and outcomes of the initiative:

- Location: Urban vs. rural[13] PTSs;
- Care Type: In-Home sites vs. Infant/Toddler-intensive sites vs. Infant/Toddler-average sites vs. Infant/Toddler Non-intensive sites;
- Operating Model: Non-profit vs. other sites (e.g., In-Home sites, private sites, etc.);
- Relative Quality (based on child care assessment scores); and
- PTS Size (based on number of spots): > 50 vs. < 50.

[13] PTS were defined as urban or rural by the Ministry using a modified version of the Statistics Canada definition of "rural" by combining rural areas with small population centres (1,000 to 29,999) and "urban" by combining medium population centres (30,000 to 99,999) and large urban population centres (100,000 or more). Source: https://www.statcan.gc.ca/eng/subjects/standard/pcrac/2016/introduction.

These groupings were determined based on variation in services provided at the PTSs and different expenses associated with the various groupings; for example, sites in urban and rural locations have differential access to support services in the community and reported differing expenses. In-Home sites were deemed different from centre-based sites due to cost and because the nature of child care provided at in-home sites compared to centre-based sites is inherently different. Among centre-base sites, the cost of child care was related to the proportion of infant and toddler spaces due to the higher ratio and level of educator training required for providing child care for children ages zero to two; as a result, centre-based sites were categorized based on the proportion of infant/toddler spaces. Lastly, non-profit sites were deemed different from other sites as their operating models were inherently different. To determine whether impacts and outcomes of the PTS initiative varied by any of these PTS characteristics, subgroup analysis was conducted using the groupings described above.

3.6 Limitations and Mitigation Strategies

Table 3.5 summarizes limitations of this evaluation and associated mitigation strategies.

Table 3.5 Challenges/Limitations and Mitigation Strategies

Challenge/Limitation	Mitigation Strategy
Evaluation Timelines	The evaluation timelines were compressed. There was minimal time between contract award and the first round of site visits. To ensure timely collection of all necessary data Malatest developed a rigorous, comprehensive, and defensible evaluation design and framework in advance of commencing data collection. Furthermore, a large research team allowed data collection to be completed as efficiently as possible.

Communication with Multiple Sites	To maximize communication with PTSs throughout all stages of the evaluation the following methods were implemented:
	• Provided a FAQ sheet to all PTSs providers at the beginning of the evaluation;
	• Assigned one member of the Malatest team as primary contact for coordination of data collection support activities for each site, which allowed:
	  ○ Focused follow-up with PTSs to ensure they received as much support as needed, and
	  ○ Establishment of rapport with PTS ED/Site Supervisor to encourage participation.

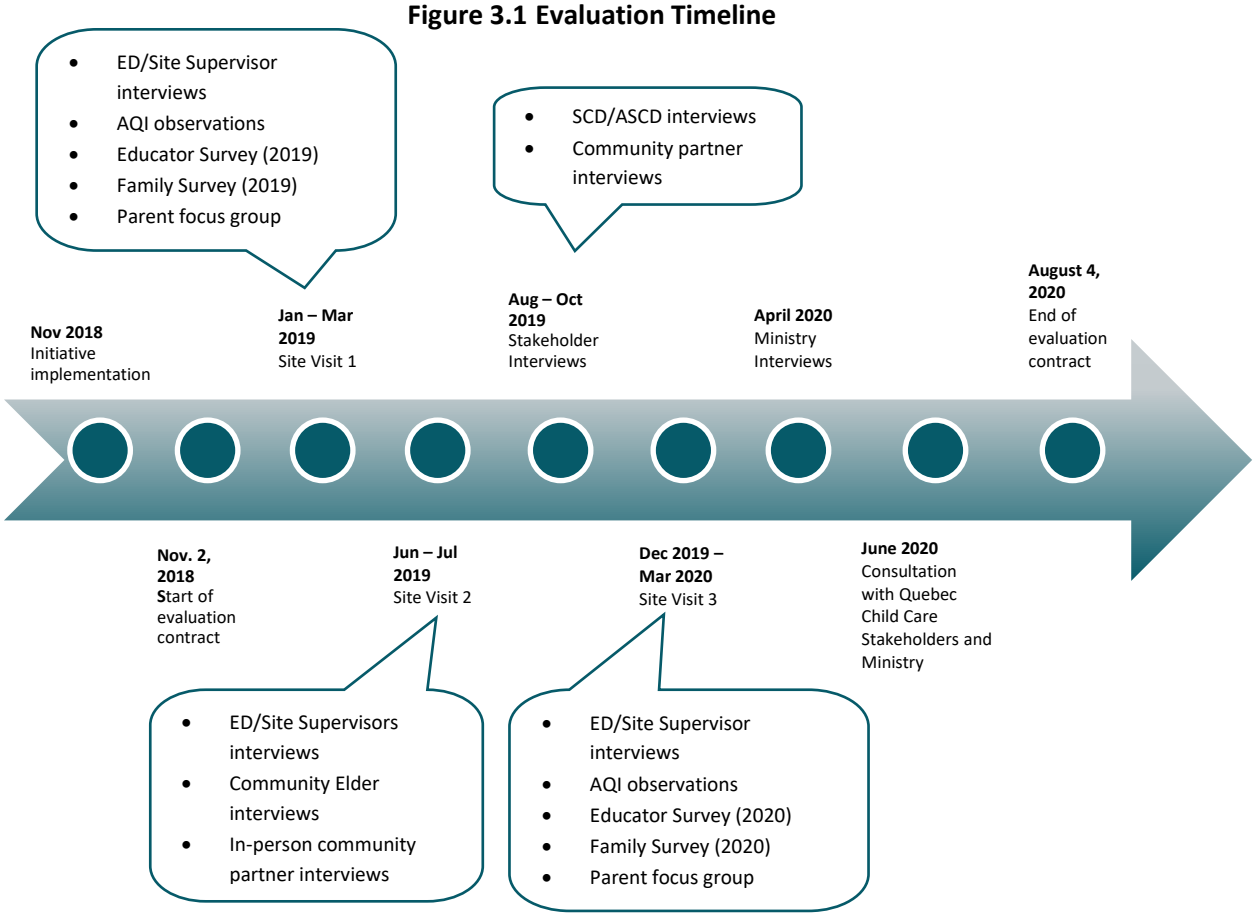
Challenge/Limitation	Mitigation Strategy
Maximizing Family Participation in Data Collection	To maximize family participation the following mitigation approaches were adopted by the evaluation team: • Scheduling focus group sessions at the PTS around typical child collection time (e.g., beginning at 4:00 p.m. or 5:00 p.m.) but within normal site operating hours so that parents/caregivers were minimally inconvenienced and their children could remain in care while the focus group was underway; • Providing PTSs with posters and leaflets to advertise the evaluation activities (i.e., focus group, survey); • Providing PTSs ample time in advance of the site visit (i.e., more than two weeks) to support recruitment; and • Providing different methods of survey access (i.e., paper, telephone, online) to make it as easy as possible for families to participate.
AQI/LOVIT Assessments only Capture one Moment in Time	The AQI and LOVIT Way PEP tools are both validated classroom assessment tools; however, as Malatest was only present at the PTS for one or two days, the assessment captures only what the evaluators were able to observe in that time.
No Assessment of Child Development	The evaluation focused on child care delivery while child development outcomes were out of scope.
Engagement of Health Authorities	Despite our best efforts to engage all Health Authorities in the survey for licensing officers, licensing officers from Vancouver Coastal Health Authority were not invited to participate (at the request of the health authority).
Limitations to Survey Data	There was no comparison group, so the evaluation had to rely on a pre-post design and, without a true baseline assessment, some data relied on participant recall. As a result, the ability to detect impacts is limited since initial baseline data collection was undertaken when PTSs had already implemented a $10 per day parent fee. Consequently, the evaluators observed high levels of parental satisfaction at baseline during the first survey (Site Visit 1, 2019) and the results seem to indicate that parental satisfaction was high at both baseline and at the time of the second survey (Site Visit 3, 2020). However, it is possible that parental satisfaction would have demonstrated a more notable increase were baseline data to have been gathered prior to the implementation of lower fees. Malatest identified a population of interest among respondents to the family survey. This group of parents did not have children enrolled at the PTS prior to November 2018 when the initiative was implemented and were not paying child care fees prior to enrolling their child at the PTS. This group served to demonstrate the likely impact of gaining access to low-cost child care if the PTS initiative were to be expanded to new spaces or to include new parents.

3.7 Evaluation Timeline

As was previously described, a number of data collection activities occurred during the evaluation, including a review of PTS administrative data and three site visits to each PTS. Data collection activities undertaken during the site visits included observational assessments of child care quality, a background

survey and interviews with each PTS's ED/Site Supervisor, and the administration of surveys to educators and families. Additional evaluation activities included a survey of child care licensing officers, and interviews with Aboriginal Supported Child Development (ASCD) and Supported Child Development (SCD), PTS community partners, Ministry representatives and sector partners. Figure 3.1 shows the timeline for these activities.

Figure 3.1 Evaluation Timeline



3.8 Impact of COVID-19 Pandemic on the Evaluation

The majority of data collection was completed by the end of February 2020; as a result, the evaluation results were not impacted by any challenges related to the COVID-19 pandemics. PTS operators had yet to implement any pandemic-related operational changes or closures at the time of the final site visits. Furthermore, March 2020 expenses were not included in the analysis of PTS costs because of the potential for these expenses to have been impacted by the COVID-19 pandemic (e.g., additional expenses may have been occurred to cover the cost of increased cleaning and disinfecting).

SECTION 4: FINDINGS - RELEVANCE

This subsection describes the relevance and need for universal child care in British Columbia.

4.1 Need for Universal Child Care in British Columbia: Cost of Child Care

The need for, and benefits of, universal child care have been well documented in recent years. Many Organisation for Economic Cooperation and Development (OECD) countries already provide their citizens with universal low-cost child care; for example, the Swedish child care model, known as Educare, is viewed as the gold standard for Early Childhood Education.[14,15] Early childhood education and care is related to positive impacts on labour force participation, and on families and children.[16,17,18] One of the most well documented impacts of universal child care is increased labour force participation, particularly for women/mothers. In Canada, the labour force participation rate of women ages 25 to 54 is 84% and, as of 2016, 73% of mothers with children under the age of six were working.[19] Given that the majority of families in Canada are composed of two working parents, or a lone working parent, access to affordable high-quality child care is a necessity to complement parental care. According to the OECD, access to child care allows parents to enter the workforce, which can boost income, ultimately decreasing poverty. A review of the impacts of Quebec's universal child care program over 10 years suggests that the program resulted in significant increases in maternal labour force participation in the province.[20] In other jurisdictions universal child care has also been linked to rapid growth in women's labour force participation.[21]

In addition to the positive impacts on labour force participation, having access to high quality child care positively impacts children's cognitive and social development.[22] Access to high quality child care is beneficial for all children but it has the greatest impact on children from vulnerable, disadvantaged families and can help to minimize the gap between these children and those from less vulnerable families.[23] Access to high quality child care reduces the importance of family demographic and background characteristics in predicting future outcomes, and appears to act as a buffer in mitigating negative impacts associated with lower SES.[24] Positive impacts to children's physical and mental health have been linked to having access to high quality child care.[25,26] Children from low-income families show

[14] https://www.child carecanada.org/documents/child-care-news/15/05/looking-swedish-model-child care-and-education.
[15] https://www.smh.com.au/education/looking-to-swedish-model-of-childcare-and-education-20150518-gh48hj.html.
[16] https://www.oecd.org/els/family/Who_uses_child care-Backgrounder_inequalities_formal_ECEC.pdf.
[17] Provision of Quality Early Child care services Czech Republic, 10-11 November 2015.
[18] https://www.child carecanada.org/sites/default/files/ECEC-in-Canada-2016.pdf.
[19] https://vanierinstitute.ca/families-canada-parents-making-it-work-september-2018/.
[20] Haeck, C., Lefebvre, P., & Merrigan, P. (2015). Canadian evidence on ten years of universal preschool policies: The good and the bad. Labour Economics, 36, 137-157.
[21] Baker, Michael. 2011. "Innis Lecture: Universal Early Childhood Interventions: What Is the Evidence Base?" Canadian Journal of Economics 44(4): 1069-105.
https://onlinelibrary.wiley.com/doi/epdf/10.1111/j.1540-5982.2011.01668.x.
[22] https://www.oecd.org/els/family/Who_uses_child care-Backgrounder_inequalities_formal_ECEC.pdf.
[23] Knudsen, E. I., J. J. Heckman, J. L. Cameron, and J. P. Shonkoff (2006): "Economic, neurobiological, and behavioral perspectives on building America's future workforce," Proceedings of the National Academy of Sciences, 103(27), 10155–10162.
[24] Currie, J., & Almond, D. (2011). Human capital development before age five. In *Handbook of labor economics* (Vol. 4, pp. 1315-1486). Elsevier.
[25] Van den Berg, G. J., & Siflinger, B. (2016). The Effects of a Universal Child Care Reform on Child Health–Evidence from Sweden. Working Paper.

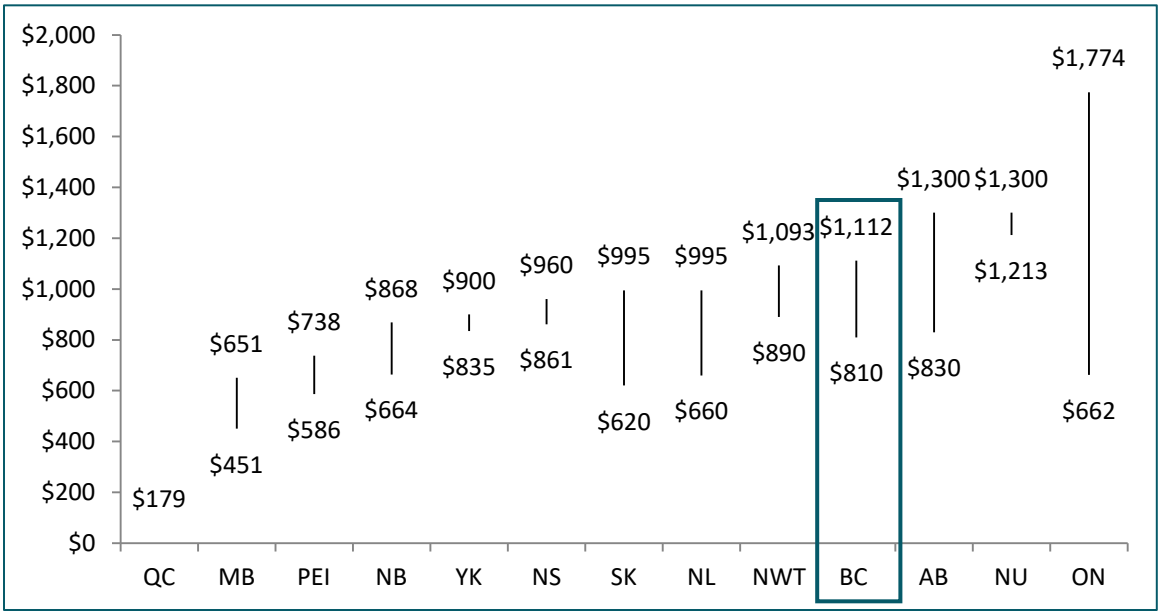
improved motivation, social skills, and a reduced likelihood of committing crime later in life when they have attended early childhood education and care programs.[27] In Norway, children who attended subsidized child care centres reported better middle school performance compared to students who did not attend subsidized child care centres.[28] Finally, access to universal child care has also been associated with positive outcomes later in life; for example, in Norway access to universal child care has been associated with higher educational attainment and increased earnings at ages 30 to 40 among individuals who attended centres as children compared to those who did not.[29]

In the absence of a low-cost universal child care system, some of the most vulnerable children may not have access to high quality child care; many of these children are from middle- to high-income households that are not targeted by traditional child care subsidies.[30] Simply increasing the number of child care spots available is not sufficient to result in the positive impacts associated with access to high quality child care. The cost of child care also heavily impacts whether or not families are able to access child care. If child care is not affordable, it will not be accessible to large portions of the population, including many vulnerable children and families.

Despite the well-documented positive impacts of low cost universal child care, Canada does not have nationwide, universal child care. Furthermore, responsibilities fall on the provinces and territories for service delivery and child care is not deemed an entitlement; therefore, the onus is on families to obtain and pay for child care. Monthly child care costs across Canada vary depending on the province or territory and whether the child is an infant, toddler, preschooler, or school-aged (up to age 12). Infant and toddler care is far more expensive than preschool- or school-aged child care. Quebec has the lowest child care costs in Canada while Ontario has the highest. In B.C. child care fees are among some of the highest in the country, ranging from $810 to $1,112 monthly for infant and toddler care. Only three provinces/territories report higher median monthly child care fees than B.C. (i.e., Alberta, Nunavut, and Ontario) (see Figure 4.1).

[26] Baker, M., Gruber, J., & Milligan, K. (2018). The long-run impacts of a universal child care program. American Economic Journal: Economic Policy, 11(3), 1-26.
[27] Carneiro, Pedro, & James J. Heckman. 2003. “Human capital policy.” In Inequality in America: What Role for Human Capital Policies?, edited by James J. Heckman and Alan B. Krueger, 77-240. Cambridge, MA: MIT Press. https://ideas.repec.org/b/mtp/titles/0262582600.html.
[28] Black, Sandra E., Paul J. Devereux, Katrine V. Løken, & Kjell G. Salvanes. 2014. “Care or Cash? The Effect of Child Care Subsidies on Student Performance.” The Review of Economics and Statistics 96(5): 824-837.
[29] Havnes, Tarjei & Magne Mogstad. 2011. “No Child Left Behind: Subsidized Child Care and Children’s Long-Run Outcomes.” American Economic Journal: Economic Policy 3(2): 97-129.
[30] https://www.ourcommons.ca/content/Committee/421/FEWO/Brief/BR8806290/br-external/FortinPierre-e.pdf.

Figure 4.1 Median Cost of Child Care in B.C. and Other Provinces



Source: Canadian Centre for Policy Alternatives (2020). In Progress: Child care fees in Canada 2019. Retrieved from https://www.policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2020/03/In%20progress_Child%20care%20fees%20in%20Canada%20in%202019_march12.pdf Data Year: 2019.[31] [32] [33]

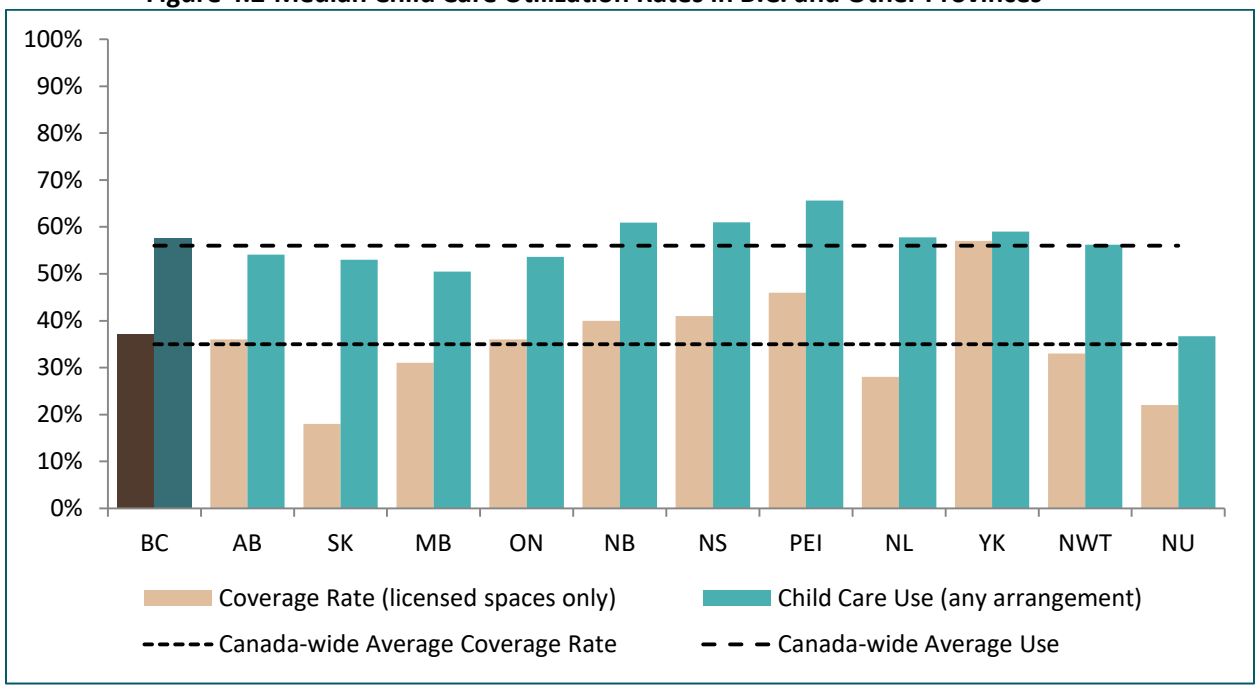
Based on 2017 data, a significant percentage of lone-parent family income in B.C. was spent on child care. Median after-tax income of lone-parent families with children between the age of zero and five years was $27,830, whereas the median income for two-parent families was $80,810.[34] Given the average fees for child care, the yearly cost of having a toddler in full-time care in B.C. is estimated at $9,720 to $13,344, an amount that, at the high end, is approaching one-half of the median income for a lone-parent family. Even with available child care subsidies, the cost of child care places a substantial burden on families with children, particularly those with higher rates of low incomes, such as lone-parents, recent immigrants, Indigenous people, and people with disabilities.[35]

[31] Fees are not disaggregated by infant or toddler grouping, instead representing a fee for all infant/toddler spaces.
[32] Only one city in each of Manitoba, Nova Scotia, PEI, Newfoundland and Labrador, Nunavut, and Yukon had data available; therefore, a single estimate rather than a range is provided for these provinces and territories.
[33] Quebec's model of child care fees is unique among the provinces, with a fixed per-day fee paid by parents. As such, Quebec's median fees for child care are not comparable to those of other provinces.
[34] https://www2.gov.bc.ca/gov/content/data/statistics/infoline/infoline-2019/19-114-household-income.
[35] https://www.canada.ca/en/employment-social-development/programs/poverty-reduction/backgrounder.html.

4.2 Need for Universal Child Care in British Columbia: Child Care Coverage and Utilization Rates

In B.C., child care coverage and utilization rates are slightly above the Canadian average: 35% coverage and 56% utilization.[36] As in other provinces, child care utilization rates exceed coverage rates; this means that parents are relying on unlicensed child care providers and/or family to provide child care. While some parents may not seek child care that is licensed, the demand for child care is greater than the availability of child care in B.C. (see Figure 4.2).

Figure 4.2 Median Child Care Utilization Rates in B.C. and Other Provinces



Source: Statistics Canada (2020). *Table 42-10-0004-01 Use of early learning and child care arrangements, household population aged 0 to 5 years*. Data Year: 2019.

4.3 Need for Universal Child Care in British Columbia: Family Reliance on Affordable Child Care Benefit (ACCB)

A review of the monthly report data and family survey data revealed that approximately 22% to 30% of families at PTSs receive the ACCB (Table 4.1). The substantial proportion of families receiving ACCB to help with child care costs further illuminates the need for affordable child care such as that provided under the *Childcare BC Universal Prototype Sites* initiative.

[36] Statistics Canada (2020). *Table 42-10-0004-01 Use of early learning and child care arrangements, household population aged 0 to 5 years*. Retrieved from https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=4210000401 Data Year: 2019.

Table 4.1 Proportion and Characteristics of Families Receiving ACCB

	January 2019 (n = 2,107)	Family Survey Site Visit 1 (2019)	February 2020 (n = 2,639)	Family Survey Site Visit 3 (2020)
B.C. Affordable Care Benefit	22%	22%	27%	30%

Source: January 2019 and February 2020 PTS Monthly Reports; Family Survey Site Visit 1 (2019); Family Survey Site Visit 3 (2020).

4.4 Need for Universal Child Care in British Columbia: MCFD Representatives and PTS Sector Partners Opinions

Of the ED/Site Supervisors that responded to the question of whether there is a need for the initiative, and universal child care in general, all agreed there was a need, providing comments such as "absolutely", "most definitively", "desperately", and "100% yes". Ministry representatives were also of the opinion that universal child care was needed / required and this was consistent with MCFD and the B.C. government's priorities.

Summary of Need for Childcare BC Universal Prototype Sites Initiative

There is a clear need for universal, or low-cost, child care; all data sources illuminated this need. The literature and data reveal that parents and families are spending a large portion of their income on child care costs. Child care costs in B.C. are among some of the highest in Canada. A review of the literature also summarizes the many benefits and positive economic impacts that universal, or low-cost, child care has for parents and families, children, and the broader society.

4.5 Alignment of the *Childcare BC Universal Prototype Sites Initiative* with Government Priorities

In 2017, federal, provincial, and territorial Ministers agreed on the Multilateral Early Learning and Child Care Framework, which served as the foundation for a long-term vision where "all children across Canada can experience the enriching environment of quality early learning and child care."[37] The Government of B.C. and the Government of Canada signed the B.C.-Canada Early Learning and Child Care (ELCC) Agreement less than a year later. The Agreement provided the Province of B.C. with $153 million over a three-year period to develop and improve programs.[38]

The ELCC Agreement supports the overall objective to "build its early learning and child care system by addressing local, regional and system priorities that have an impact on families more in need by increasing the quality accessibility, affordability, flexibility and inclusivity in early learning and child care."[39] The Agreement outlines the following priorities:

1. Enhance the accessibility of child care options by increasing the number of spaces;
2. Increase affordability of child care, beginning with infant/toddler care;

[37] https://www.canada.ca/en/employment-social-development/programs/early-learning-child-care.html.
[38] https://www2.gov.bc.ca/assets/gov/family-and-social-supports/child-care/elcc_year_1_report_final.pdf.
[39] https://www.canada.ca/en/early-learning-child-care-agreement/agreements-provinces-territories/british-columbia.html#h1.

3. Enhance the quality of licensed child care programs by supporting the training and professional development of early childhood educators; and
4. Enhance equity through targeted investment in underserved communities – Indigenous families, families with children with support needs, and young parents completing their secondary education – improving access to inclusive, affordable, and flexible child care programs.

The Agreement complements the $1.3 billion B.C. invested under the *Childcare BC* plan over a three-year period. *Childcare BC* is a 10-year commitment to support B.C. families by providing them with quality child care that is accessible and affordable, along with a focus on inclusive and culturally sensitive/appropriate care, care built in partnership for the long-term, safe and accountable care, and early learning and education.[40] The plan also aims to support ECEs, who are recognized as the backbone of quality child care, through recruitment and retention initiatives. The *Childcare BC Universal Child Care Prototype Sites* initiative is part of the ELCC agreement between the government of Canada and the Province of B.C. and is designed to help move the province toward meeting its goals and commitments.

Summary of Relevance of Childcare BC Universal Prototype Sites Initiative

The goals of the *Childcare BC Universal Prototype Site Initiative* align with goals set by the governments of B.C. and Canada. The initiative and the Province's larger 10-year plan support B.C.'s goals of creating affordable, accessible, and quality child care.

[40] https://www2.gov.bc.ca/assets/gov/family-and-social-supports/child-care/elcc_year_1_report_final.pdf.

SECTION 5: FINDINGS - PERFORMANCE (EFFECTIVENESS): IMPLEMENTATION

5.1 Implementation of the *Childcare BC Universal Prototype Sites* Initiative

This section briefly summarizes findings related to the implementation of the *Childcare BC Universal Prototype Sites* initiative, including factors that facilitated and/or hindered implementation, and the lessons learned from implementation. Feedback was obtained from each PTS's ED/Site Supervisor, families, educators, and other PTS sector partners including Supported Child Development/Aboriginal Support Child Development and PTS community partners.

5.2 Prototype Site Application Process

PTSs were selected based on applications submitted to MCFD in the summer of 2018. Licensed child care centres meeting the 11 program requirements, including being in good standing with their health authority and with MCFD, and providing care to children 36 months and under, were eligible to apply. PTSs were selected to ensure there was good geographical representation, including a mix of urban and rural sites, and representation of various child care operating models (e.g., non-profit, sole proprietor). Applications were scored based on a number of criteria, including:

- Implementing all or part of the *Early Learning Framework*;
- Using a quality or environmental assessment tool;
- Being informed early learning practice;
- Having staff training practices;
- Participating in or members of early childhood committees, organizations or associations; and
- Accessing community resources in their programming such as libraries and community centres.

The highest scoring centres were chosen as PTSs.

With regards to the application process, the following challenges were described by PTS ED/Site Supervisors:

- Excessive time needed to complete the application, though applicants were compensated for the time it took to apply;
- Difficulty completing the application, particularly when the centre had multiple licenses/programs (e.g., two programs for children aged three to five years);
- Some fields in the application were reported as not being clear so some ED/Site Supervisors reported making mistakes or 'educated guesses' on their applications;
- Timing of the application (over the summer period) was not ideal;
- The funding portion was not clear and, as a result, some ED/Site Supervisors reported being unsure if the funding would cover their costs; and
- Confusion as to whether or not preschool programs would be included in the initiative.

Ministry representatives also indicated that there may have been some challenges at the time of application as some PTSs required changes to their contracts and funding during the first couple months of operating as a PTS.

5.3 Launching the Initiative

While there were a number of challenges reported, the majority of ED/Site Supervisors did report that the implementation went as anticipated, and overall there were no major issues in terms of implementation of the initiative.

When PTS ED/Site Supervisors were asked what factors were helpful in facilitating implementation, the following themes emerged: quality of interactions with MCFD (including the webinars), supporting documentation, educator buy-in, and financial compensation for additional administration. Ministry interviewees agreed that the availability of dedicated Ministry staff to address questions/issues was helpful in facilitating a smooth transition to becoming a PTS. Other factors identified by the Ministry as important were the following:

- No-risk approach: the PTSs participated in the initiative risk-free because they were guaranteed funding for the 18-month period; and
- Provision of funds to support enhanced monthly reporting requirements.

The majority of PTS ED/Site Supervisors felt they were adequately prepared for the launch of the initiative on November 1, 2018; however, some sites did not launch until December 2018 and some thought more lead time would have been beneficial (i.e., an extra month would have been preferred). Aside from the compressed timeline, other challenges during implementation described by ED/Site Supervisors included:

- Administrative burdens including completing the monthly report (though PTSs were provided with additional funding to cover time spent completing administrative tasks);
- Media attention;
- Increased family demands (e.g., parents wanting to enroll their children for more days or longer hours) and;
- Navigating multiple moving parts (e.g., PTS funding, ACCB funding, wage enhancement).

Once the initiative was implemented, Ministry representatives indicated during interviews that the new model (i.e., PTS) required considerable Ministry resources to coordinate and manage.

5.3.1 Child Care Centre Types and the Implementation of the Initiative

Analysis of the qualitative data from the ED/Site Supervisors interviews revealed some differences between child care centre types and the impact of implementation of the initiative. These included:

- *Sites with Multiple Locations* tended to have stronger organizational structures and supports to use, but also needed a longer lead time to allow for consultation with multiple sector partners to manage a few challenges:
    - Parent and community concerns when only one of their child care locations was chosen (e.g., parents wanted to switch across sites, families having children spilt across sites);
    - Bookkeeping/reporting changes that often meant having two sets of books to comply with the divergent reporting requirements of CCOF and PTS funding; and
    - Educators who worked at both sites experienced wage disparities as the provincial wage enhancement was only provided to the PTSs initially so payroll was complicated and educators were displeased with these disparities.
- *Smaller Sites/In-Home Sites* tended to have less administrative support, with the Owner/Operator often having to devote additional time to comply with PTS requirements. A number of smaller sites

described the reporting as being more of a burdensome process, especially after caring for children all day.

- *Larger Sites* often had a stronger/larger organizational structure and more supports in place that they could use; for example, one ED described how their organization had lawyers to review the contract as well as a dedicated accountant and administrative support.
- *Some Sites with Preschool Programs* reported that their half-day preschool programs were not included in the PTS initiative, which resulted in parents paying more for half-day preschool than they would for full-day child care at the same centre.
- *Sites that Relied on Grant Funding as a Revenue Stream* initially reported a loss in revenue because as a PTS they were thought to be no longer eligible for certain grants (e.g., Community Gaming Grant). Once this issue was brought to the attention of MCFD, changes were made so that sites would be eligible to receive these grants that they relied on.

Refer to Preliminary Review Report[41] for more detailed discussion of the implementation process.

Summary of Feedback Regarding Implementation of Childcare BC Universal Prototype Sites Initiative

The Application Process:
Child care centres applied to become PTSs in summer 2018. Applications were scored based on their components (e.g., program philosophy, inclusive child care policies and practices) but there was no follow-up on whether the centres adhered to the policies, principles, and curriculum they outlined in their proposal. PTSs reported some difficulty completing the PTS application. Difficulties were related to the timing of the application (during the summer months, which was identified as "not ideal") and confusion related particularly to the financial aspects of the application.

Implementation of the Initiative:
While there were a number of challenges reported by ED/Site Supervisors, the majority felt these were expected given this was the launch of a new initiative. As such, the general feeling amongst ED/Site Supervisors was that implementation went as anticipated.

Factors reported by ED/Site Supervisors as helpful in facilitating implementation were the quality of interactions with MCFD, supporting documentation, educator buy-in, and financial compensation for additional administration.

Challenges during implementation described by ED/Site Supervisors were tight timelines, administrative burden, media attention, and increased family demands.

The new model did, however, require considerable Ministry resources and time to manage the PTSs.

[41] Preliminary Review Report, January 2020.

SECTION 6: FINDINGS - PERFORMANCE (EFFECTIVENESS): IMPACTS AND OUTCOMES OF THE *CHILDCARE BC UNIVERSAL PROTOTYPE SITES* INITIATIVE

This section includes a discussion of the impacts and outcomes of the *Childcare BC Universal Prototype Sites* initiative reported by the PTS ED/Site Supervisors; families; educators; and other PTS sector partners such as Supported Child Development/Aboriginal Support Child Development, child care licensing officers, and PTS community partners. Data sources include:

- PTS ED/Site Supervisor interviews [Site Visits 1 (2019), 2 (2019) and 3 (2020)];
- PTS educator surveys [Site Visits 1 (2019) and 3 (2020)];
- PTS family surveys [Site Visits 1 (2019) and 3 (2020)];
- PTS Licensing Officer surveys;
- PTS family focus groups [(Site Visits 1 (2019) and 3 (2020)];
- PTS sector partner Interviews [Site Visit 2 (2019)];
- Ministry representative interviews; and
- Child care quality assessments [Site Visits 1 (2019) and 3 (2020)].

Cross-tabulations were generated where data allowed. Data has been broken down to examine differences in responses based on PTS location (urban vs. rural), operating model (non-profit vs. other), care type (age of children cared for), and relative child care quality.

Findings related to impacts and outcomes for PTSs (including discussions of accessibility, affordability and quality), educators, and families are discussed in the following sections.

6.1 Impacts and Outcomes of the *Childcare BC Universal Prototype Sites* Initiative on Prototype Sites

Although not in scope of the initiative, the data collected as part of this evaluation gives us an idea of how the initiative impacted accessibility of the PTSs. Accessibility included an analysis of the following measures:

- The representation of target populations in PTSs, which provides an indication of how accessible child care is to these target populations;
- Changes in child care utilization rates over the course of the initiative, which impact whether or not the centre is accessible to those who need it (e.g., low utilization means that unoccupied child care spots are not offered to families who need them); and
- Changes to inclusive child care practices at the PTSs, which might make the centre more accessible in terms of being able to support children with support needs.

6.1.1 Impacts on Accessibility: Target Populations

It was expected that the PTS initiative would impact all parents and that the following underserved target populations (as defined by the ELCC agreement) may experience a higher degree of benefit compared to other parents:

- Indigenous families;
- New Canadians (moved to Canada within the last 12 months);
- Young parent families (under 25 years old);
- Francophone families; and
- Working class families (household income of $40,000 to $70,000).

Because PTSs were not expected to create additional child care spaces, there was no expectation that a significant change in the number of families/children from these target populations would be observed. The PTS initiative did include small proportions of parents from each of these groups. Representation of each of the groups remained relatively stable from the start of the initiative in November 2018 until the end of the evaluation in February 2020 (see Table 6.1). While these groups were certainly impacted by the initiative, small numbers of evaluation/survey participants from each of these groups makes it difficult to discern whether these target groups were differentially impacted compared to other families at the PTSs.

Table 6.1 Target Group Representation at PTSs and in Surveys

	Monthly Report November 2018	Family Survey Site Visit 1 (2019)	Monthly Report February 2020	Family Survey Site Visit 3 (2020)
Working class families*	--	14%	--	13%
Indigenous families	11%	8%	11%	7%
New to Canada**	2%	<1%	1%	<1%
Young parent families***	2%	3%	4%	2%
Francophone families	3%	2%	2%	1%
Families with children with support needs	7%	10%	10%	11%
Number of families (n)	**2,107**	**984**	**2,189**	**982**

Source: Family Survey Site Visit 1 (2019) & 3 (2020); November 2018 and February 2020 PTS Monthly Report data.
*Working class is defined as having a household income of $40,000 to $70,000.
**new to Canada is defined as having moved to Canada within the last 12 months.
***young families are defined as the parent being fewer than 25 years of age.

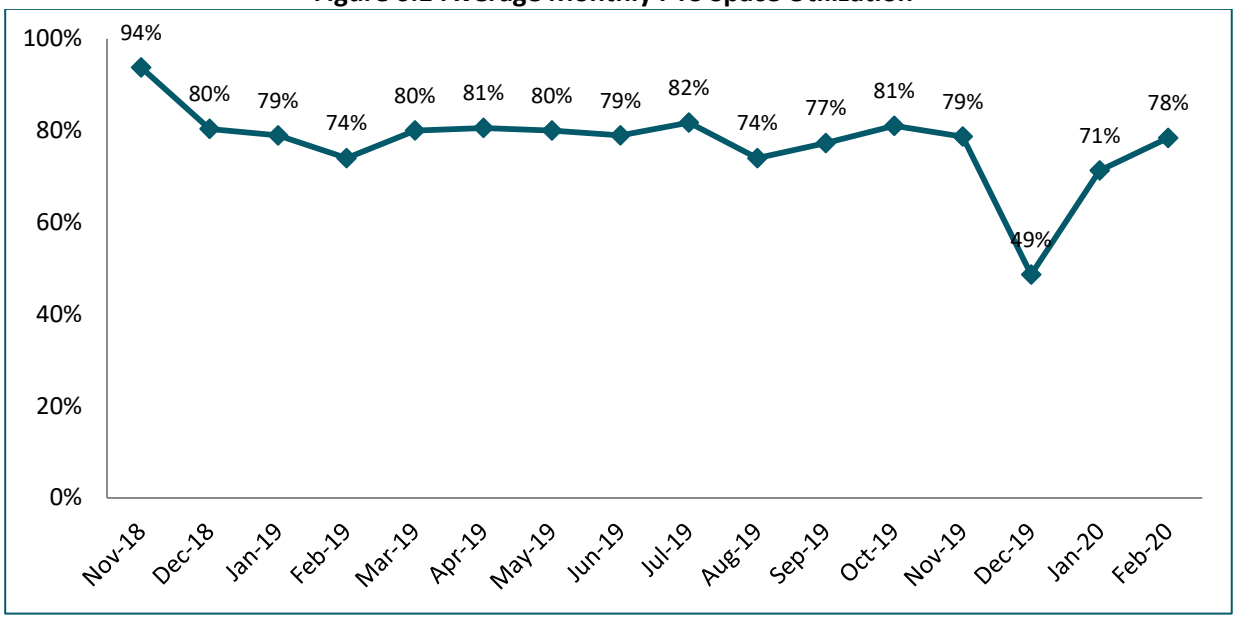
As noted previously, while PTSs were encouraged in the application process to describe how they provide services to identified target populations, the design of the PTS initiative did not lend itself to directly support a major change in family composition at the sites. As no new spaces were created, any change in parent demographics could only occur as a result of parent turnover. Given that parents were reluctant to give up access to a low-cost child care spot, there was limited turnover at the PTSs. This meant that there was only a limited ability to provide services to the defined target populations. As detailed in Table 6.1 above, the results from both administrative and survey data suggest that the PTS initiative did not result in a marked change in family composition during the evaluation period.

6.1.2 Impacts on Accessibility: Child Care Utilization

PTS utilization was calculated by dividing average monthly attendance (as a proportion of full-time enrollment) by the proportion of enrolled children versus contracted child care spaces. An analysis of attendance and enrollment is presented immediately following this discussion on utilization. Utilization rates were around 80% after an initial drop in December 2018 and remained fairly stable over the course of the initiative with one exception: in December 2019 utilization rates dropped dramatically. This could be due to winter vacation and holidays, but the same pattern was not observed in December 2018. It is possible that in December 2018, due to the newness of the initiative, parents had not yet adopted the attitude that it was acceptable for their children to be absent for a series of days because it only cost the parent $10 per day and not the $40 to $80 per day that they were paying prior to the initiative.

Overall, the average utilization rate across PTSs was 77%—or 79% if December 2019 is excluded from the calculation—and ranged from 49% to 94% (see Figure 6.1). This means that, on average, 79% of PTS spots were being used by families each month. The remaining 21% (n~509) of contracted spaces were either vacant (i.e., a child was not enrolled) or not being used due to absenteeism. PTS operators were potentially receiving funds for, on average, 509 unutilized PTS spaces each month and a high of 1,235 unutilized spaces in December 2019. Despite utilization rates below 90%, many PTS ED/Site Supervisors indicated that the centre closed their waitlist and/or was unable to move children off their waitlist and into available child care spaces, either due to staffing shortages or because spaces were fully enrolled even though children were not attending the program full-time.

Figure 6.1 Average Monthly PTS Space Utilization



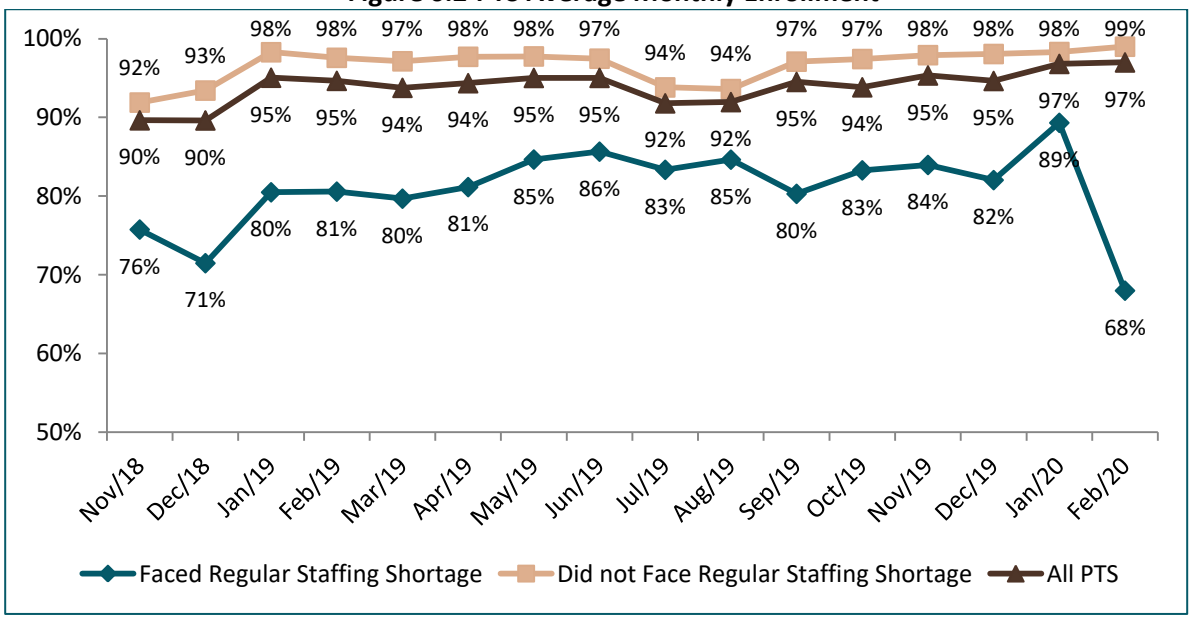
Source: Nov. 2018 to Feb. 2020 PTS Monthly Report data (attendance and enrollment).

Enrollment

At the start of the initiative, PTS enrollment was 90% on average. PTSs that were not experiencing staffing shortages were able to increase enrollment to nearly 100% by January 2019 and enrollment remained high at those sites until July and August 2019, when it dipped below 95% before returning to nearly 100% in September 2019. The drop in enrollment over the summer months was expected by PTSs, as many ED/Site Supervisors indicated that parents tend to take their children out of child care in the summer months if they do not require full-time care. PTSs that experienced staffing shortages (n = 4 - 11, with more PTSs experiencing staffing shortages at the beginning of the initiative rather than the end) reported much lower enrollment rates than PTSs without staffing shortages. PTSs that faced chronic staffing shortages could not fill child care spaces because they did not have enough ECEs to meet licensing-required ratios. Throughout 2019, there was a reduction in the number of sites reporting staffing shortages impacting capacity and a general increase in enrollment rates. Enrollment rates at PTSs with consistent staffing shortages remained, on average, 17% (ranging from 9% to 31%) lower than those without such issues throughout the initiative. The group with staffing issues, compared to the group that did not report staffing issues, did show greater improvement in enrollment rates throughout the year, with the exception of February 2020. The low enrollment rate exhibited by PTSs that faced staffing shortages in February 2020 is largely linked to one site

that reported only 34% enrollment for that month due to a dramatic decrease in the number of working parents in the community (see Figure 6.2).

Figure 6.2 PTS Average Monthly Enrollment

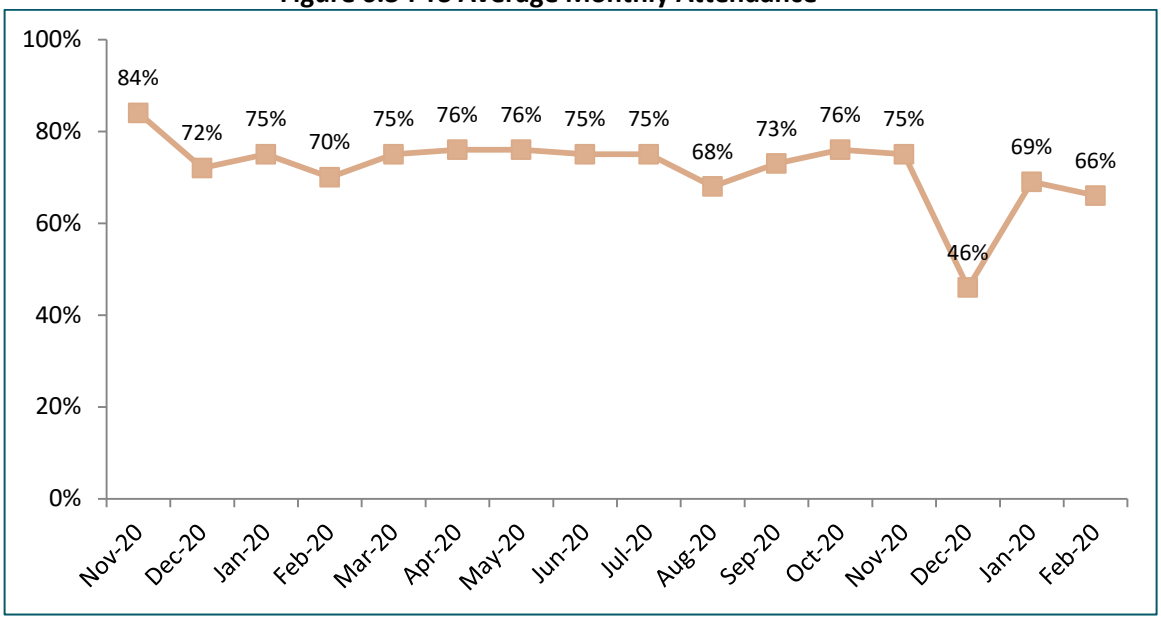


Source: Nov. 2018 to Feb. 2020 PTS Monthly Report data.

Attendance:

PTS attendance rates were, on average, 70%-75% for the majority of the evaluation period, with the exception of December 2019 where average attendance dropped to approximately 46%. This drop is likely related to winter holidays and vacation. While it was not expected that attendance at the PTSs would be 100% due to child sickness and vacation, 70%-75% attendance appears to be somewhat lower than what was expected. A distinct pattern of diminishing attendance over the course of the PTS initiative is illustrated in Figure 6.3. PTSs reported higher levels of attendance at the start of the initiative (84% average attendance in November 2018) compared to much lower levels of attendance beginning in December 2018 and remaining fairly stable (70%-75%) until December 2019, when average attendance dropped below 70%. As mentioned above, it is possible that diminishing attendance rates are due to parents reserving and paying for more spaces than they regularly required: some parents would pay for full-time child care to ensure they had the flexibility to have child care if they needed it. For example, some parents only needed four days per week consistently but would pay for five to ensure they had the fifth day if they needed it. Additionally, PTS funding contracts were not renegotiated based on attendance—as long as a child was enrolled the spot was considered filled—so there was no incentive for the PTS operators to offer drop-in child care to fill unused spaces each day or to ensure parents were using all of the days of child care that they were paying for.

Figure 6.3 PTS Average Monthly Attendance



Source: Nov. 2018 to February 2020 PTS Monthly Report data.

6.1.3 Impacts on Accessibility: Inclusive Child Care

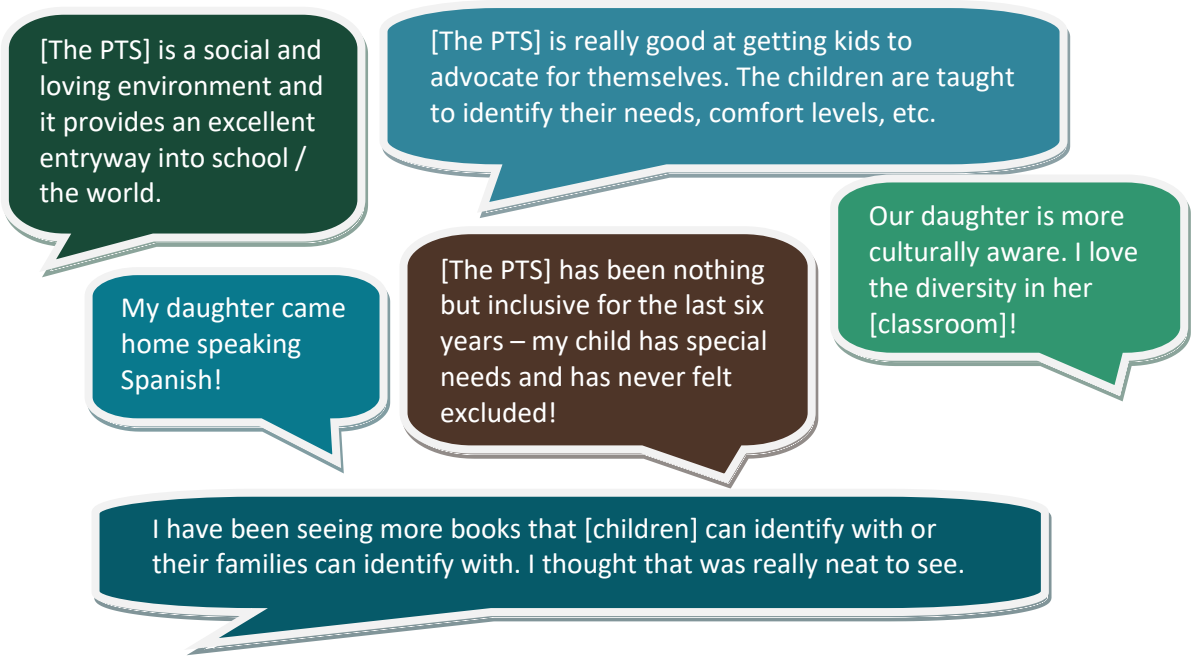
Inclusivity of the sites was examined as part of accessibility. While sites that were not Inclusion Pilot PTSs were not expected to make changes to their inclusive child care policies and practices, many sites did report improvements in their ability to support and provide care for children with support needs over the course of the initiative. Positive changes to inclusivity may have made the PTSs more accessible in terms of being able to support families who have children with support needs.

PTS ED/Site Supervisors were asked to comment on the inclusive child care practices at their site during all three interviews (conducted at each site visit). At Site Visit 1, ED/Site Supervisors were asked if their centre was able to accept children with support needs. The majority of PTSs (91%) were able to accept children with support needs at the time of implementation. PTSs with only a few educators, particularly in-home sites, were sometimes unable to accept children with support needs because they did not have the staff to adequately support the child. Other ED/Site Supervisors reported they were unable to accept children with physical needs or mobility issues because they could not support the child without making significant modifications to their program space.

At Site Visit 3, PTS ED/Site Supervisors were again asked about their inclusive child care practices and whether there had been any changes, either as a result of the PTS initiative or due to other factors. Nearly one-half (46%, n = 24) of the PTSs reported improvements to their inclusive child care practices since implementation of the initiative. Of those sites, nine (38%) attributed changes to the acquisition of new learning resources or changes to the physical environment supported by the QI grant, six (25%) attributed changes to professional development opportunities and training funded through the QI grant, and five (21%) were Inclusion Pilot PTSs and attributed changes directly to the Inclusion Coordinator or Inclusion Support Model. The remaining four PTSs (16%) did not identify the cause of changes at their site.

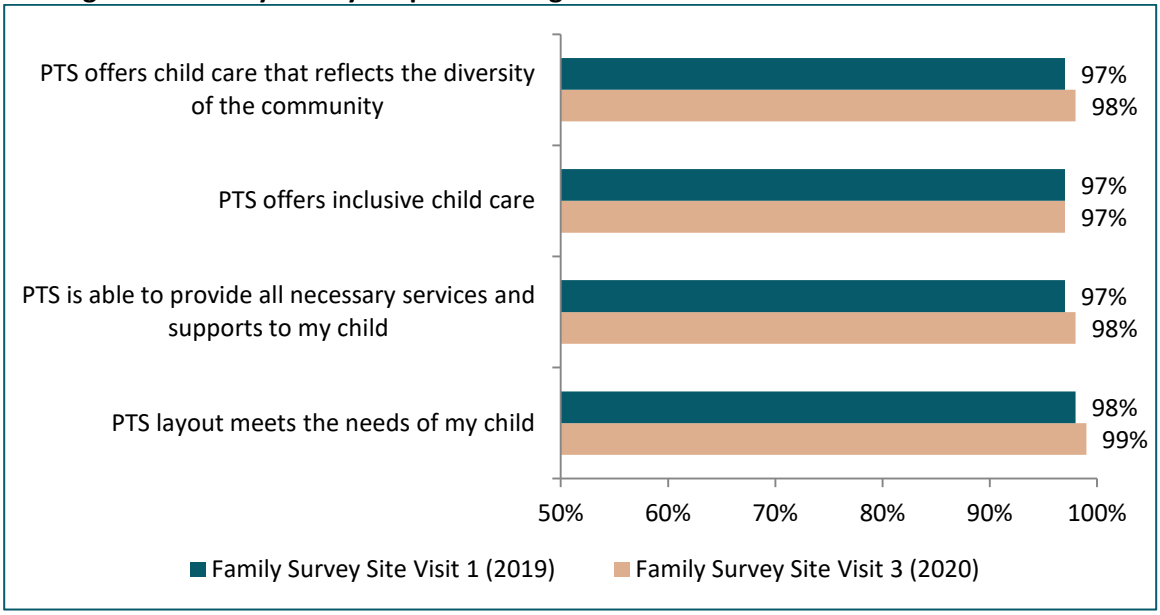
Educators also noted positive changes to inclusivity at the PTSs: 30% of educators that responded to the Site Visit 3 Educator Survey (2020) reported that inclusivity of child care at their centre was positively impacted by the PTS initiative. Educators (n = 84) also described changes to the inclusivity of their child care program: nearly one-third noted an increased focus on ECE training and capacity building (30%); nearly one-fifth indicated that there had been changes to learning resources and toys (18%); and 12% noted benefits to families, including improved relationships between parents and educators. Educators who elaborated on the cause of these changes (n = 72), largely attributed the positive changes to professional development opportunities and ECE training opportunities (35%) or to implementation of an Inclusion Pilot Model at their PTS (25%). Other educators attributed the positive changes to new and better learning resources and toys (21%), quality improvements made possible by the QI grant (10%), or physical changes to the facility (8%). Based on observations at the PTS sites and discussions with the PTS ED/Site Supervisors, it seems that improved access to learning resources and toys and changes to the physical facility were supported by QI grant funds. Nearly one-half of educators (49%) attributed positive changes in inclusivity to improvements made possible by the QI grant.

Parents corroborated the positive changes identified by educators and reported a high level of satisfaction with the inclusivity of PTSs at the Site Visit 3 focus groups:



Parents who completed the family surveys also reported high levels of satisfaction with the inclusivity of PTSs. Satisfaction with inclusion remained high from 2019 to 2020: parents reported that the PTS layout met the needs of their children and that their children received all the services and supports necessary for them to succeed, and they also agreed that the PTSs offered inclusive child care that was reflective of the community it serves (see Figure 6.4).

Figure 6.4 Family Survey Respondents Agreement that the PTS is an Inclusive Environment



Source: Family Survey Site Visit 1 (2019), n = 995; Family Survey Site Visit 3 (2020), n = 982.
Only valid responses are reported.

Summary of Impacts and Outcomes of the Childcare BC Universal Prototype Sites Initiative on Prototype Sites: Accessibility

The structure of the initiative was not intended to increase accessibility and the family composition of PTSs did not change as it was not an expectation that PTSs would increase the number of child care spaces at their centres. Despite this, some changes were identified that could be related to accessibility, such as positive changes to inclusivity practices at PTSs. An unintended impact of the PTS initiative appears to be reduced utilization of child care spaces at PTSs; in some cases, this was due to staffing shortages and in other cases it was due to parents reserving full-time spots that they did not necessarily need. Additionally, there was no incentive for sites to enforce attendance, so it was not necessary for them to backfill a child care space if a child was enrolled in the space but habitually absent. Due to reduced turnover in children, ED/Site Supervisors at the PTSs reported very little movement in their waitlist and some closed their waitlists altogether. On average, 79% of PTS spaces were being used by families each month. The remaining 21% of contracted spaces (approximately 509) were either vacant (i.e., a child was not enrolled) or not being used due to absenteeism. PTS operators were potentially receiving funds for, on average, 509 unutilized PTS spots each month.

Approximately one-half of all PTSs reported improvements in their inclusive child care practices and their ability to support children with support needs, and parents expressed a high level of satisfaction with the inclusivity of PTSs.

Parents and educators at the PTSs reported high levels of satisfaction with the inclusivity of PTSs and provided positive feedback about improvements to inclusivity at some PTSs over the course of the initiative.

6.2 Impacts and Outcomes of the *Childcare BC Universal Prototype Sites* Initiative on Prototype Sites Educators

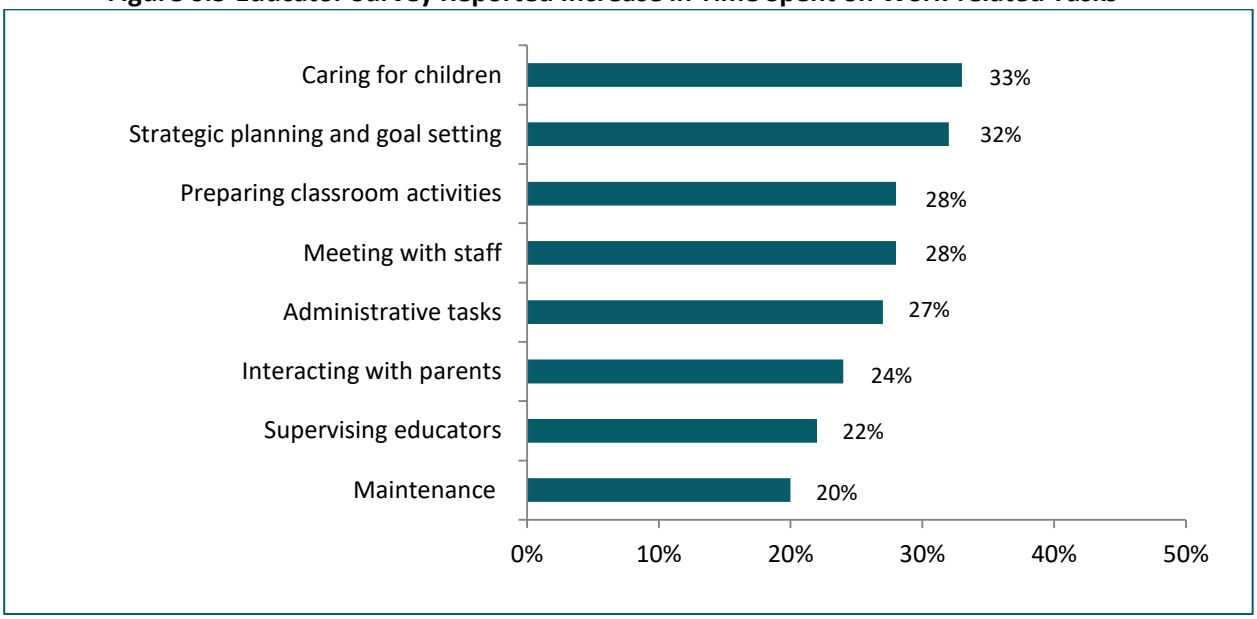
Educators at the PTSs were asked to complete two surveys over the course of the evaluation: one at the time of Site Visit 1 (2019) and one at the time of Site Visit 3 (2020). Educators answered questions about how the PTS initiative had impacted their child care centre, their day-to-day work (including pay and benefits), and opportunities to participate in professional development. Educators were also asked about their work-related well-being and were given the opportunity to provide written comments and feedback at the end of the surveys. In general, educators reported positive impacts to their day-to-day work, pay and benefits, work-related well-being, and opportunities for professional development.

Workday/Time spent on Various Tasks

Educators who responded to the Site Visit 3 (2020) survey reported working, on average, 35.6 hours per week; this is a slight, but statistically significant ($t(526) = 3.3$, $p < .001$) increase from an average of 33.3 hours per week that was reported on the Site Visit 1 (2019) survey. Despite this finding, the majority of educators (85%) reported no change in the number of hours they worked each week since the initiative began. Of those who did report a change in hours (15%), the majority (83%) indicated that the number of hours worked had increased and only a few respondents indicated that their hours of work had decreased.

Educators reported that the initiative allowed them to spend more time on a variety of child care tasks such as caring for children, strategic planning and goal setting (see Figure 6.5). Some of these changes may have been due to some PTSs experiencing low or varying attendance rates, which meant that on some days they had more educators than was required to meet licensing ratios. Extra educators on the floor would mean that there would be coverage for breaks, program planning, preparing classroom materials, and other things that educators previously reported doing on their own time or not at all.

Figure 6.5 Educator Survey Reported Increase in Time Spent on Work-related Tasks



Source: Educator Survey Site Visit 3 (2020), n = 294. Only valid responses are reported.

Pay and Benefits

Educators also reported positive impacts to their pay and benefits. Forty-two percent of educators who responded to the Site Visit 3 (2020) survey reported that their wage/salary had increased, separate from the ECE WE, since the initiative began – at many PTS these wage/salary increases were scheduled prior to becoming a PTS and were unrelated to the PTS initiative but this was not the case for all PTSs where wage increases were reported. This increase was in addition to the provincially funded Wage Enhancement that educators at all licensed child cares received. Educators who reported an increase in wages reported a slightly higher level of overall satisfaction on average (*M* = 4.40, *SD* = 0.70) compared to those who did not report an increase in wages (*M* = 4.26, *SD* = 0.73); however, this difference was not statistically significant. Small proportions of educators also reported positive changes to their workplace benefits since the initiative began (see 0).

Table 6.2 Proportion of Educators Reporting Positive Changes to Benefits due to PTS Initiative

Type of Benefit	Proportion of Educators
Health benefits	8%
Amount of paid leave/vacation/sick days	7%
Opportunities for promotion	5%
Retirement benefits	3%

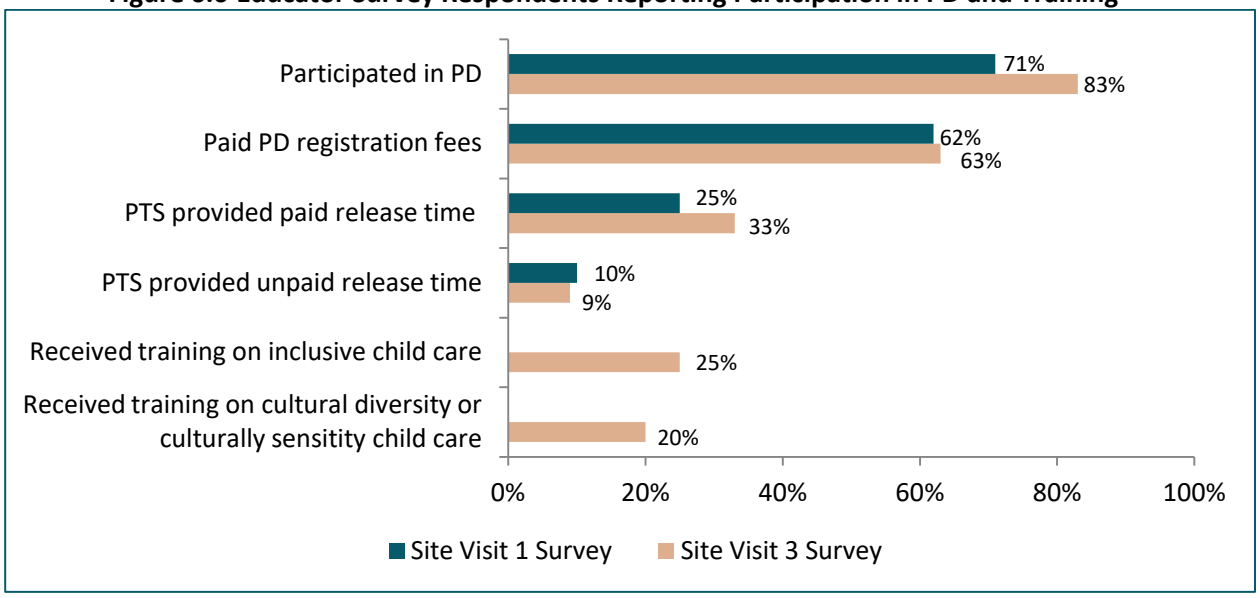
Source: Educator Survey Site Visit 3 (2020), n = 294. Only valid responses are reported.

Professional Development and Training

Educators were asked whether or not they had participated in any professional development (PD) or training in the 12 months prior to the initiative in the Site Visit 1 (2019) survey. In the Site Visit 3 (2020) survey, educators were asked if they had participated in any PD since March 2019 (i.e., after the provision of QI grant funding). There was a significant increase (12%) in the proportion of educators who participated in professional development over the course of the initiative. The proportion of educators who reported that their PTS provided paid release time increased somewhat, but no changes were observed in the proportion of educators that reported their PTS paid registration fees or provided unpaid release time (see Figure 6.6).

Educators were also asked if they had participated in training on inclusive child care or cultural diversity or culturally sensitive/appropriate child care since the initiative was implemented. Approximately one-quarter of those who responded to the Site Visit 3 survey reported participating in training on inclusive child care and one-fifth reported participating in training on cultural diversity or culturally sensitive/appropriate child care (see Figure 6.6). The majority of educators (63%) who reported participating in training on inclusive child care were *not* from Inclusion Pilot Model PTSs. Educators from 32 PTSs (62% of all PTSs) reported participating in training related to inclusive child care, which highlights the value that centres are placing on building their capacity to provide inclusive child care to all children.

Figure 6.6 Educator Survey Respondents Reporting Participation in PD and Training



Source: Educator Survey Site Visit 1 (2019), n = 300; Educator Survey Site Visit 3 (2020), n = 294.
Only valid responses are reported.

Educator Self-Reported Well-being, Satisfaction, and Stress

Positive changes in educator well-being were observed from Site Visit 1 (2019) to Site Visit 3 (2020). Overall work-related well-being and satisfaction increased, and work-related stress decreased (see Figure 6.7). Changes in well-being and work-related stress were statistically significant ($p < .001$) but the slight increase in educator satisfaction was not statistically significant.

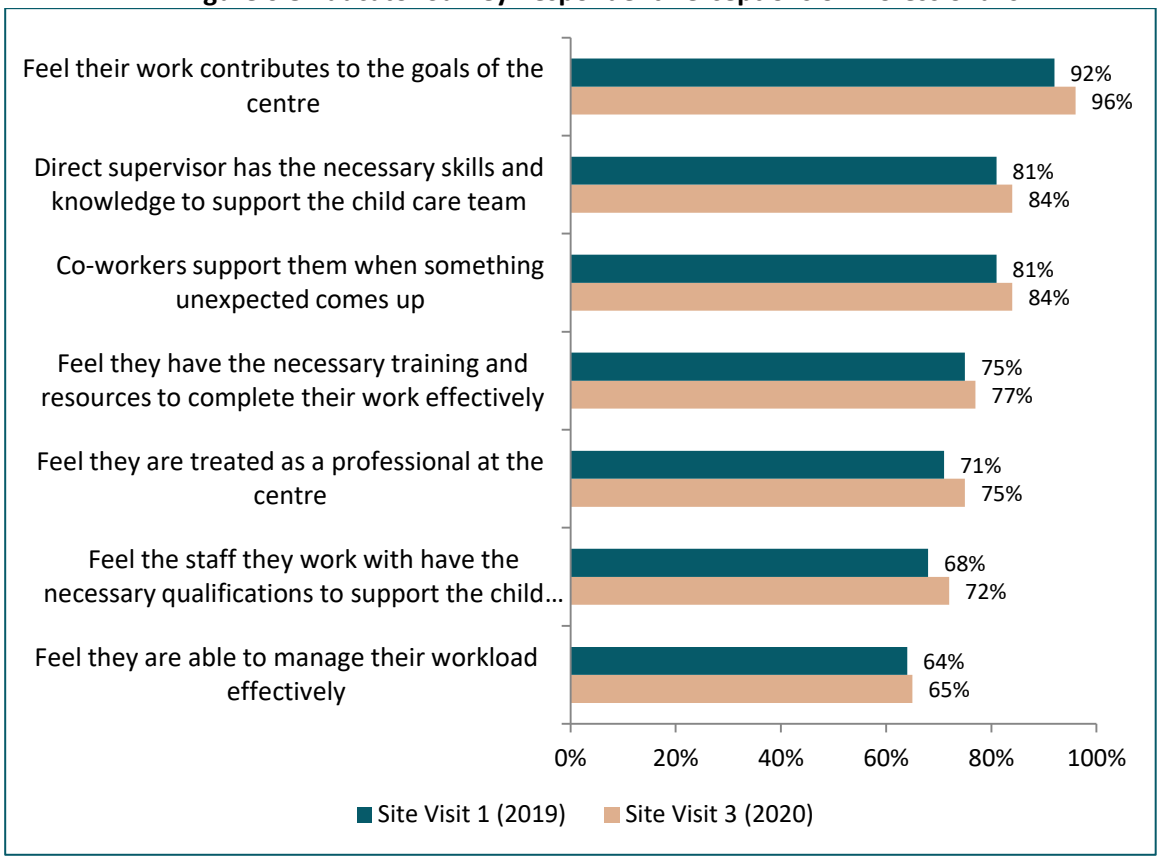
Figure 6.7 Educator Survey Respondent Reported Well-being, Satisfaction, and Stress

Source: Educator Survey Site Visit 1 (2019), n = 300; Educator Survey Site Visit 3 (2020), n = 294.
Only valid responses are reported. All measures are on five-point scales.

Educators were asked a series of questions related to whether or not they were perceived to be professional and treated as such at the child care centres. Educators were asked these questions on both Site Visit 1 (2019) and Site Visit 3 (2020) surveys, and small improvements were noticed over the course of the initiative. These improvements were not statistically significant but may be linked to an increase in training and professional development opportunities available to educators at the PTSs (generally funded by the QI grant). Educators who had participated in PD since March 2019 were more likely than those who had not participated in PD to report improvements in terms of being treated as, and perceived as, professionals at the child care centres. On average, educators at the PTSs who responded to the Site Visit 3 (2020) survey were slightly more likely than those who responded to the Site Visit 1 (2019) survey to agree to the following (see 0):

- Their work is valuable and contributes to the goals of the child care centre/program;
- Their supervisor and coworkers can support them and the child care team;
- They are treated as professionals in the centre; and
- They are able to manage their workload effectively.

Figure 6.8 Educator Survey Respondent Perceptions of Professionalism

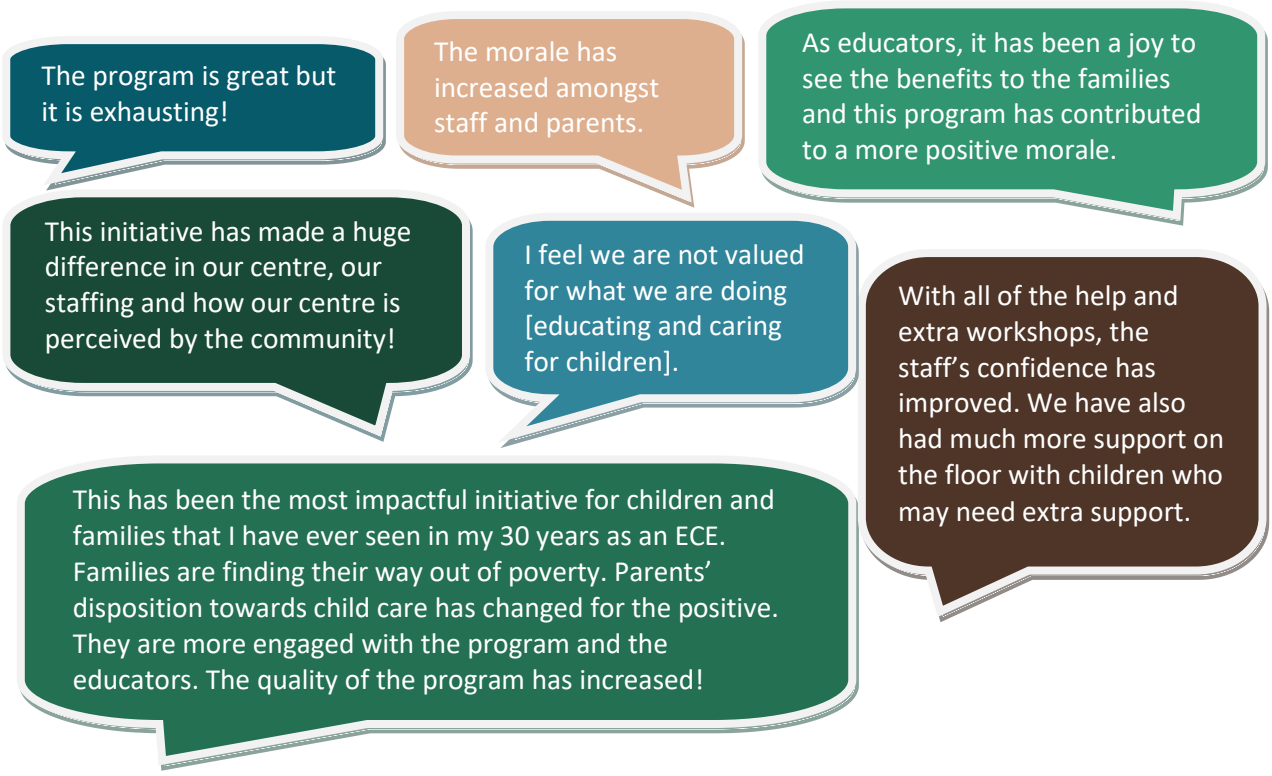


Source: Educator Survey Site Visit 1 (2019), n = 300; Educator Survey Site Visit 3 (2020), n = 294.
Only valid responses are reported.

Positive changes in educator well-being and feeling like they were perceived as, and treated as, professionals occurred alongside these educators reporting that they see themselves continuing to work at the child care centre for the next 12 months. A larger proportion of educators who responded to the Site

Visit 3 (2020) survey (91%) reported that they intended to stay working at the centre over the next 12 months compared to the Site Visit 1 (2019) survey (85%).

In general, the majority of educators who left comments on the survey reported positive impacts attributed to the PTS initiative; however, some educators did discuss feeling increased stress at times due to increased enrollment. Prior to the PTS initiative some PTSs had been operating below capacity (e.g., enrolling only nine infant/toddlers instead of the 12 they were licensed for) because they felt it allowed them to offer better quality child care, but as a PTS they were required to be fully enrolled and operating at, or near, full capacity. PTS that were not operating at full capacity for a period of three consecutive months experienced a reduction in their funding. At the centres that experienced increased enrollment at the start of the initiative, educators reported increased stress and the need to work longer hours. Some educators also reported a need to work longer hours at centres where parents extended the length of time their child was in care each day. Some centres reported that some parents who would typically only have their child at the centre for shorter days (e.g., five hours) were beginning to leave their children at the centre for longer days because the fee was the same (i.e., $10/day regardless of whether their child was there for five hours or eight hours). Additional comments highlighted the need for more work to be done in terms of changing society's view of the ECE profession and increasing the value and perceived professionalism of early childhood educators, though it was noted that this initiative was a step in the right direction. As highlighted below, educators were generally very positive in terms of the impact of the initiative.



Summary of Impacts and Outcomes of the Childcare BC Universal Prototype Sites Initiative on Prototype Site Educators

Educators reported positive impacts as a result of the initiative. The initiative allowed educators at PTSs to spend more time on various child care tasks, such as program planning and preparation and goal setting. Some educators also reported increases in salary above and beyond the Wage Enhancement, and positive changes to their workplace benefits. Overall, educators' well-being increased over the course of the initiative and work-related stress decreased. Educator satisfaction remained high over the course of the initiative. Educators also noticed positive improvements in terms of how they are perceived as, and treated as, professionals at the child care centres. Positive impacts on educators appear to have made it more likely for educators to report an intention to stay at their current child care centre for the next 12 months at the end of the initiative compared to the beginning.

Comments on the surveys corroborate the positive impacts of the initiative but also highlight some areas of added stress or increased work hours as a result of the initiative (generally at the start of the initiative).

6.3 Impacts and Outcomes of the *Childcare BC Universal Prototype Sites* Initiative on Families

During the parent focus groups and also on the surveys that were completed at the time of Site Visit 1 (2019) and Site Visit 3 (2020), families with children enrolled at a PTS were asked to identify what impact the PTS initiative had on their families. There were virtually no changes in impacts reported on the Site Visit 1 (2019) survey and the Site Visit 3 (2020) survey and the majority of parents reported positive impacts on both surveys; however, it should not be considered that the initiative had no impact on families. As the evaluation did not have an opportunity to implement a true pre-post design, many impacts would have already occurred by the time the evaluators conducted the first parent survey in early 2019. There was a high level of support and satisfaction among parents in both Site Visit 1 (2019) and Site Visit 3 (2020) surveys.

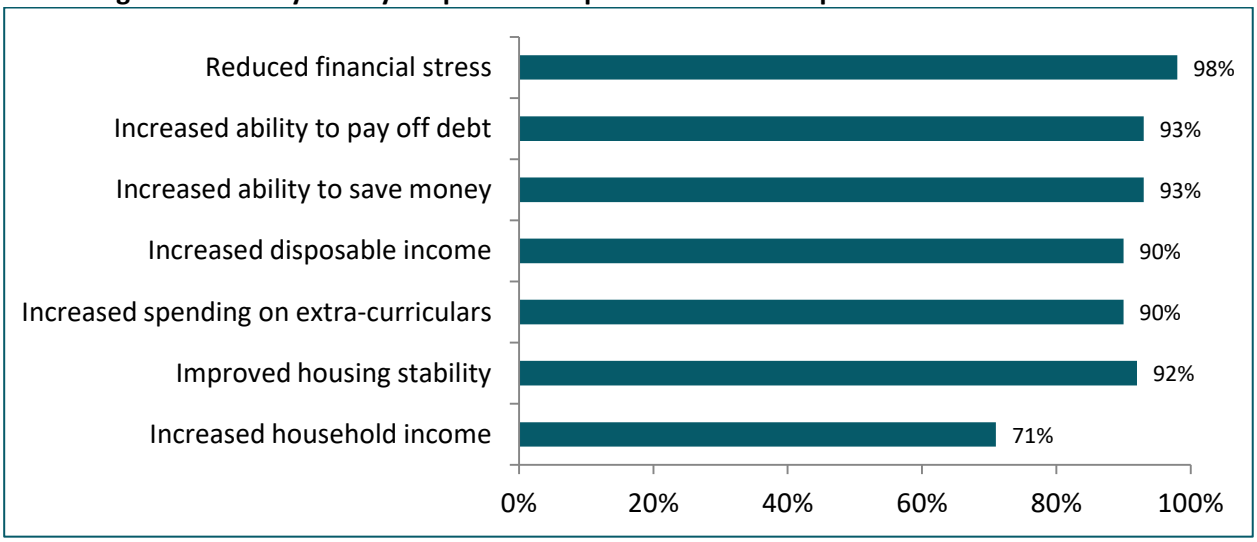
A population of interest was defined within the Site Visit 3 (2020) survey data. This subset of survey respondents (n = 84) did not have children enrolled in child care prior to November 2018 when the PTS initiative was implemented; these families were new to child care when they enrolled their child at a PTS. This subset of the sample better highlights the likely impact of gaining access to low-cost child care as the larger sample of parents already had access to child care prior to implementation of the PTS initiative. The population of interest was more likely than families who were already at a PTS to report positive financial impacts, positive impacts to their work or school life, and positive impacts to their families' quality of life or well-being. While most of these differences were not statistically significant, there was a clear pattern of families from the population of interest being more likely to report impacts compared to parents who had children enrolled at a PTS prior to November 2018.

6.3.1 Financial Impacts/Affordability

The PTS initiative capped parent fees at $200 per month for full-time care. Parents at some (approximately eight) PTSs did pay additional fees for extended care hours (e.g., early morning, late evening, or weekends), meals, field trips, etc. Among parents who responded to the Site Visit 3 (2020) Family Survey, monthly per-child fees for full-time[42] care ranged from $0 to $375 per month (median = $200). The majority of parents who responded to the Site Visit 3 Family Survey (88%) felt they were paying the "right amount" for child care fees, and many reported positive financial impacts as a result of the PTS initiative. As a result of the initiative, 66% of parents reported an increase in household income (see 0). Nearly one-half of those parents who reported an increase in income cited an increase of $10,000 or less, which is indicative of one parent increasing the number of hours they work or returning to work part time. An additional 40% of families reported an increase of between $10,000 and $30,000, while only small proportions of parents (< 10%) reported increases in yearly household income that exceeded $30,000.

The majority of families experienced reduced financial stress; an overwhelming number of survey respondents reported that they were able to pay off debt, save money, increase disposable income and spending on extracurricular activities. Some families also reported improved housing stability (see 0).

Figure 6.9 Family Survey Respondent Reported Financial Impacts of the PTS Initiative



Source: Family Survey Site Visit 3 (2020), n = 982. Only valid responses are reported.

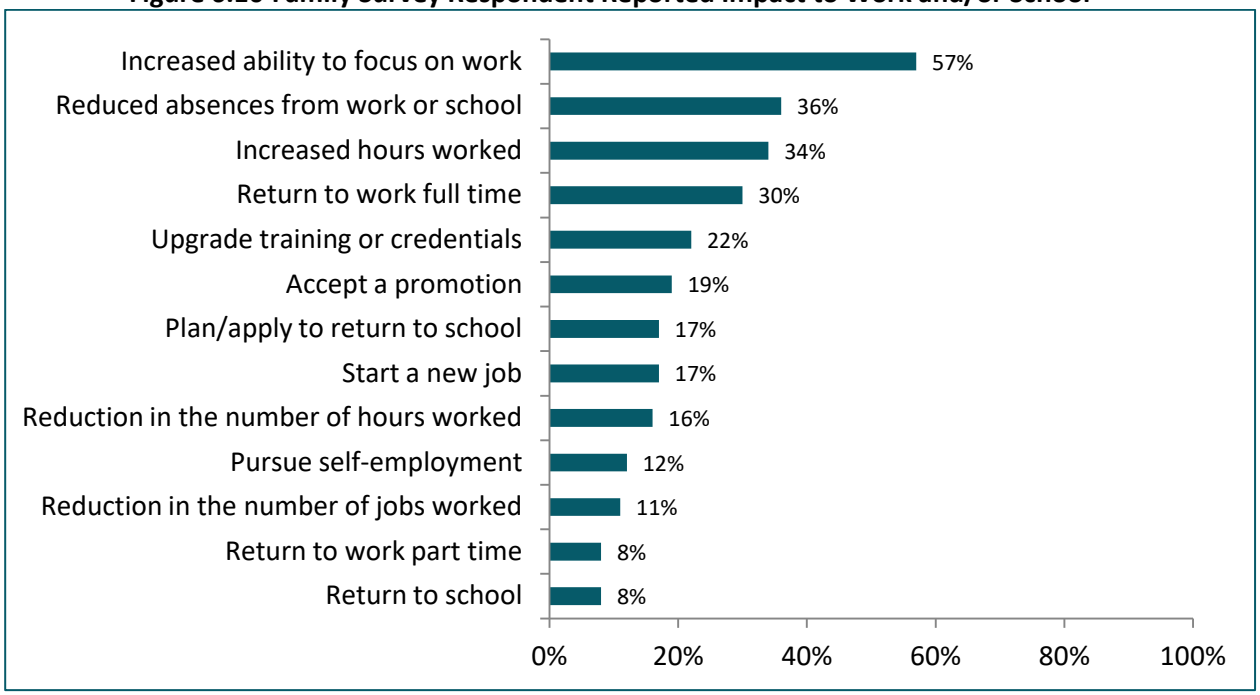
[42] Full-time was defined as having a child in care for 30-50 hours per week.

At the parent focus groups during Site Visit 3, 30% of parents identified positive financial impacts as the "most important impact" they have experienced as a result of having a child enrolled at a PTS.

6.3.2 Impacts to Work or School

Overall, 66% of parent survey respondents reported an impact to their work or school life as a result of being in a PTS with 41% saying it enabled them to work full-time or part-time. In alignment with the findings related to increased household income, parents also reported being able to increase the number of hours they worked, or (in smaller numbers), accept a promotion, start a new job or pursue self-employment. It should be noted that parents who were new to child care (i.e., the population of interest discussed below) were more likely to report returning to work full-time or increasing the number of hours they worked compared to existing parents but there was no difference in the proportion of parents, new to child care or not, reporting a return to work part-time. It is likely that when the PTS initiative was implemented some parents who already had a child enrolled at the site increased the number of days or hours that their child attended the PTS and those parents were able to increase the number of hours they worked or return to work. For parents who were new to child care, enrolling their child at a PTS likely allowed them to return to work (see 0 for additional information). In some cases , parents reported that they were able to reduce the number of jobs (11%) or number of hours (16%) they worked, which has important implications for family well-being, such as improved work-life balance (see Figure 6.10).

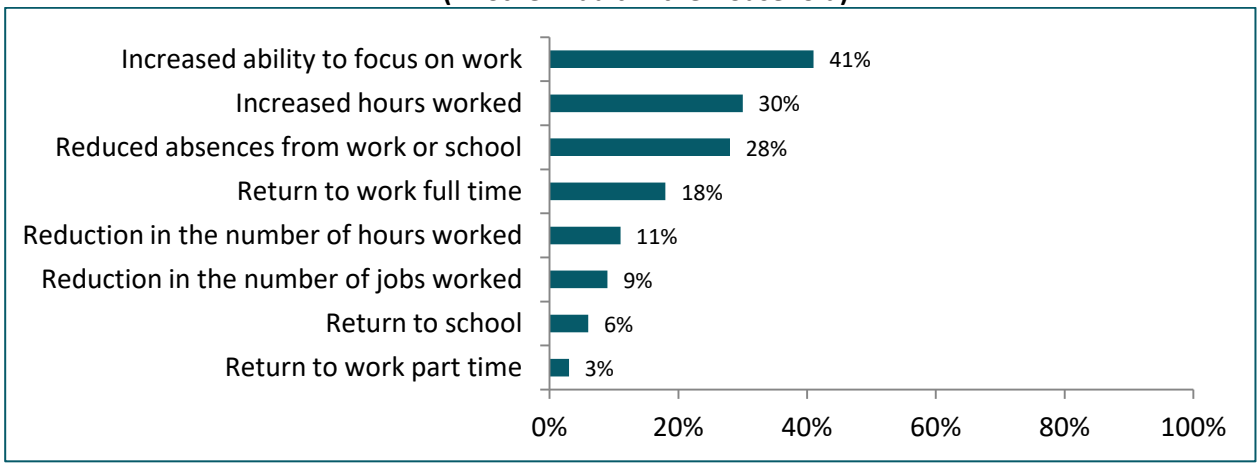
Figure 6.10 Family Survey Respondent Reported Impact to Work and/or School



Source: Family Survey Site Visit 3 (2020), n = 982. Only valid responses are reported.

Almost one-half of all parents (48%) who responded to the survey also reported that having their child enrolled at a PTS had a positive impact on work or school for another adult in their household (e.g., a spouse/partner) For 21%, being part of a prototype site allowed the other adult in the household to work full-time or part-time (see 0).

Figure 6.11 Family Survey Respondent Reported Impact to Work or School (Another Adult in the Household)

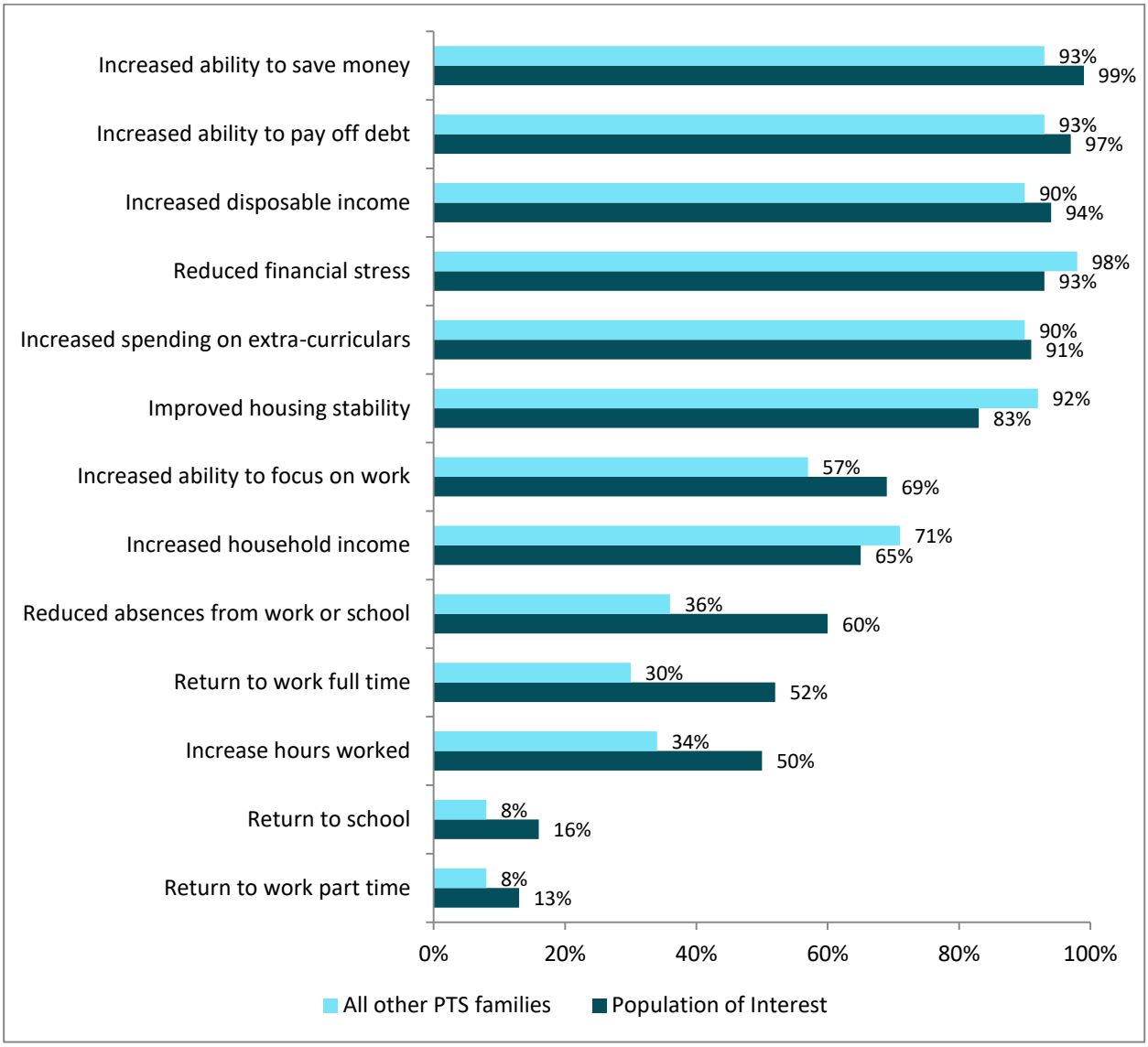


Source: Family Survey Site Visit 3 (2020), n = 982. Only valid responses are reported.

Population of Interest

Survey responses from parents from the population who enrolled their children at a PTS after November 2018 were examined as they potentially highlight the impact of gaining access to low-cost child care. Parents in this group were slightly more likely to report financial impacts than parents who had children enrolled at a PTS prior to November 2018. These parents were also more likely than other parents to increase their labour force attachment, either by returning to work full-time, increasing the number of hours they worked, or being able to focus more on work in general (see 0). If the PTS initiative were expanded to include more families that are new to child care, it is likely that more positive impacts would be observed, similar to what was observed with the population of interest.

Figure 6.12 Family Survey , Population of Interest Reported Financial Impacts of the PTS Initiative

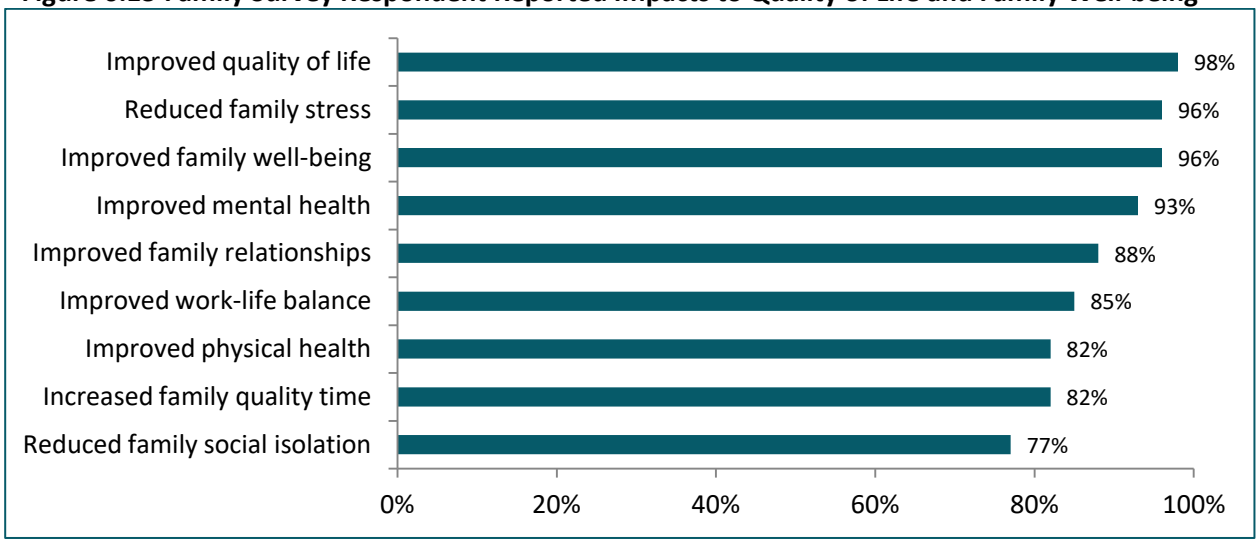


Source: Family Survey Site Visit 3 (2020), n = 982 (population of interest n = 84; all PTS families n = 898).
Only valid responses are reported.

6.3.3 Impacts to Quality of Life and Family Well-being

Parents reported positive impacts to their family well-being and quality of life. The majority of families reported improved quality of life, reduced family stress, improved family well-being, and improved mental health, among other things (see Figure 6.13).

Figure 6.13 Family Survey Respondent Reported Impacts to Quality of Life and Family Well-being



Source: Family Survey Site Visit 3 (2020), n = 982. Only valid responses are reported.

Parents who attended the Site Visit 3 focus groups were asked to identify the most important impact that being at a PTS has had on their family. Approximately one-quarter (24%) of parents identified improved family well-being and quality of life as the "most important impact". Parents had many positive things to say about how the initiative had impacted their families' quality of life and well-being (see Figure 6.14 and comments that follow).

Figure 6.14 Common Words and Phrases Related to Impacts of the Prototype Site Initiative

Source: Family Focus Group Site Visit 3, n = 443.

Summary of Impacts and Outcomes of the Childcare BC Universal Prototype Sites Initiative on Prototype Site Families

Impacts reported on the family surveys did not markedly change from Site Visit 1 to Site Visit 3. Parents reported a number of positive financial impacts, impacts to work and school, and impacts to their family quality of life.

<u>Financial Impacts/Affordability and Impacts to Work and School:</u>
Parents thought that they were paying "the right amount" in child care fees. Families reported positive financial benefits, such as increased household income, improved financial well-being, and the ability to pay down debt and increase savings. Families also reported positive impacts to their work or school life, including some increase in labour force attachment.

Population of Interest: Parents in the population of interest were new to child care when they enrolled their child at a PTS after November 2018. These parents were more likely to report positive financial impacts and impacts to work and school compared to other parents who had children enrolled at the PTSs prior to November 2018. This population of interest highlights the likely impact of gaining access to low-cost child care and suggests that more positive impacts would be observed if more new families were included in the initiative.

<u>Impacts to Quality of Life and Well-being:</u>
Families reported a number of psychosocial impacts, including reduced family stress, and improved family relationships. In general, families reported improved quality of life and improved family well-being.

6.4 Impacts and Outcomes of the *Childcare BC Universal Prototype Sites* Initiative by Family Characteristic

To better understand how different types of families were impacted by the PTS initiative, impacts were examined to see if they differed based on parent demographic characteristics (e.g., whether the family had a child with support needs, household income, Indigenous identity). Parents who responded to the Site Visit 3 (2020) Family Survey were grouped[43] based on the demographic information they reported. Five groups were identified using cluster analysis (see Table 6.3).

Table 6.3 Demographic Characteristics of Family Survey Respondent by Family Groups/Clusters

	Family Group				
	1: High-income families* (n = 18)	2: Young parent, new to Canada, working class families (n = 36)	3: Average families (middle to higher income)** (n = 459)	4: Average families*** (n = 449)	5: Low-income families**** (n = 20)
Support Needs	6%	14%	9%	14%	0%
Indigenous Families	0%	0%	3%	13%	0%
Young parents (> 25 years old)	6%	33%	23%	4%	6%
New to Canada (lived in Canada less than 5 years)	6%	42%	0%	3%	38%
Lone-parent Household	0%	0%	1%	25%	20%
Household Income					
< $40,000	0%	0%	0%	20%	62%
$40,000-$70,000	0%	37%	0%	24%	39%
$70,000-$150,000	33%	63%	49%	57%	0%
> $150,000	67%	0%	51%	0%	0%

Source: Family Survey Site Visit 3, n = 982. Only valid responses are reported.
Percentages indicate the proportion of families in each group with various characteristics.
*High income families are defined as having annual household incomes greater than $150,000.
**Average families (middle to higher incomes) are defined as having annual incomes from $70,000 to > $150,000.
***Average families are defined as having annual incomes from $40,000 to $120,000.
****Low income families are defined as having annual household incomes below $40,000.

Large proportions of parents from all groups reported positive impacts. There were no relative differences observed between the identified groups in impacts to family quality of life or well-being, or in changes to

[43] K-means cluster analysis was conducted to identify groups of parents who reported similar demographic characteristics: age, income, first language, education level, Indigenous status, etc.

household income. There were some differences observed in financial impacts and impacts to work and school (see Table 6.4).

6.4.2 Group 1: Higher-income Families (n = 18)

Parents in this group represent 2% of all PTS families and were least likely to report impacts to work or school for themselves or another adult in the household but still reported positive financial impacts like the ability to pay off debt and save money. This group consisted primarily of families with an annual household income greater than $150,000.

6.4.3 Group 2: Young Parents, New to Canada, Working Class Families (n = 36)

Parents in the group of young parents, new to Canada, working class families[44] represent 4% of all PTS families and were most likely to report an impact to work or school for themselves and another adult in the household. Despite being more likely to report impacts to work or school, this group was less likely than all but low-income families[45] to report positive financial impacts such as increased disposable income, the ability to save money, or ability to pay down debt.

6.4.4 Group 3 & Group 4: Average Families (n = 459 and 449 respectively)

Two average groups emerged; these groups represent the majority of families enrolled at a PTS; Group 3 accounts for 47% of all PTS families and Group 4 accounts for 45% of all PTS families. The main difference between these two groups was annual household income and age: parents from Group 3 reported slightly higher incomes[46] and were more likely to be young parents and/or two-parent households (under 25 years old) compared to parents from Group 4[47].

Parents from Group 3 were most likely to report positive financial impacts, such as the ability to pay off debt, save money, and increased disposable income compared to all other groups. Parents from Group 4 tended to fall in the middle in terms of how likely they were to report positive financial impacts or impacts to their work or school as a result of the PTS initiative.

6.4.5 Group 5: Low-income Families (n = 20)

The group of low-income families[50] represented 2% of all PTS families and was least likely to report an impact to work or school for themselves or another adult in the household and least likely to report positive financial impacts as a result of the initiative. The PTS initiative appears to have not had a substantial financial impact on this group of families. The majority of families in this group reported that they were now paying the same amount or less for child care as compared to prior to implementation of the initiative. Many of these families were paying reduced child care fees (i.e., receiving child care subsidy) prior to the initiative and, as a result, did not experience a significant change in child care fees when the PTS initiative was implemented. It is also possible that even if some families did experience a significant decrease in child care fees, this decrease was not enough to result in the same positive financial impacts and impacts to work and school as it did for families with average and higher incomes.

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[44] Young parents were defined as under the age of 25. New to Canada was defined as having lived in Canada for less than five years. Working class families were defined as having an annual household income between $40,000 and $70,000.
[45] "Low income" was defined as an annual household income below $40,000.
[46] Annual household income ranging from $70,000 to > $150,000.
[47] Annual household income ranging from $40,000 to $120,000.

Table 6.4 Family Survey Reported Impacts by Demographic Group

	Family Group				
	1: Higher-income families* (n = 18)	2: Young, new to Canada, working class families** (n = 36)	3: Average families (middle to higher income)*** (n = 459)	4: Average families**** (n = 449)	5: Low-income families***** (n = 20)
Impact to Household Income					
Increased household income	84%$_{a}$	81%$_{a}$	79%$_{a}$	60%$_{a}$	65%$_{a}$
Financial Impacts					
Increased disposable income	83%$_{a,b}$	78%$_{a,b}$	92%$_{b}$	75%$_{a}$	60%$_{a,b}$
Ability to save money	88%$_{a,b,c}$	78%$_{c}$	95%$_{b}$	83%$_{a,c}$	65%$_{a,b,c}$
Ability to pay off debt	72%$_{a,b}$	72%$_{a,b}$	85%$_{b}$	79%$_{a}$	65%$_{a,b}$
Impact to Work or School					
Impact to your work or school	50%$_{a}$	86%$_{b}$	71%$_{a,b}$	61%$_{a}$	55%$_{a}$
Impact to work or school for another adult in the household	39%$_{a,b}$	69%$_{a,b}$	55%$_{b}$	40%$_{a}$	45%$_{a,b}$

Source: Family Survey Site Visit 3, n = 982. Only valid responses are reported.
Cells within rows that have different subscript letters are significantly different from each other at the p < .05 level.
*High income families are defined as having annual household incomes greater than $150,000.
**Young parents were defined as under the age of 25. New to Canada was defined as having lived in Canada for less than five years. Working class families were defined as having an annual household income between $40,000 and $70,000.
***Average families (middle to higher incomes) are defined as having annual incomes from $70,000 to > $150,000.
****Average families are defined as having annual incomes from $40,000 to $120,000.
*****Low income families are defined as having annual household incomes below $40,000.

Summary of Impacts and Outcomes of the Childcare BC Universal Prototype Sites Initiative on Prototype Site Families by Family Characteristic

In general, few parent-reported impacts differed based on family characteristics. Impacts to family quality of life and well-being did not differ based on family characteristics, but some differences in positive financial impacts and impacts to work and school were observed. Impacts to work and school were most likely to be reported by parents in the young parent, new to Canada, working class group, but this group was least likely to report financial impacts (e.g., ability to save money to pay down debt). The group of parents with middle to high annual household incomes was most likely to report positive financial impacts compared to all other groups. Low-income families were least likely to report positive financial impacts and impacts to work and school. It appears that the PTS initiative did not have a significant impact on these families; likely because they were already receiving low-cost child care through the ACCB and/or other fee reduction initiative prior to implementation of the PTS initiative.

While some differences were observed, it should be noted that large proportions of parents, regardless of group/family characteristics, reported positive impacts to their household income, finances, work or school, and quality of life or well-being.

6.5 Breakdown of the *Childcare BC Universal Prototype Sites* Initiative Impacts and Outcomes by Prototype Site Characteristic

Impacts and outcomes reported by educators and families on the Site Visit 3 (2020) surveys were examined to see whether their responses differed based on PTS type, including PTS location, operating model, care type, and relative quality.

6.5.1 By Location (Urban vs. Rural PTS[48])

There were no differences in impacts and outcomes reported by educators at PTSs located in rural areas compared to those located in urban areas. Family impacts reported by parents who responded to the Site Visit 3 (2020) survey did not differ based on the location of the PTS. Parent perceptions of affordability, ECE professionalism, and the impact that child care has on their child did differ depending on whether the parent was from an urban or rural PTS:

- Small proportions of parents felt they were paying too much for child care. Parents from urban PTSs (5%) were more likely than parents at rural PTSs (3%) to think they were paying too much for child care ($p < .05$).
- Parents from urban PTSs (97%) were slightly more likely than parents at rural PTSs (95%) to agree that they considered the staff/educators at the PTS to be professionals ($p < .05$).
- Parents from urban PTSs (97%) were more likely than parents from rural PTSs (93%) to agree that their child had been positively impacted by the quality of care provided at the PTS ($p < .05$).

[48] PTS were defined as urban or rural by the Ministry using a modified version of the Statistics Canada definition of "rural" by combining rural areas with small population centres (1,000 to 29,999) and "urban" by combining medium population centres (30,000 to 99,999) and large urban population centres (100,000 or more). https://www.statcan.gc.ca/eng/subjects/standard/pcrac/2016/introduction.

6.5.2 Operating Model (Non-profit vs. Other PTS)

A few differences were observed in impacts to educators at the PTSs based on the PTS operating model (non-profit or other). Educators from non-profit PTSs (38%) were less likely to report that they had noticed an improvement in the quality of child care since implementation of the initiative compared to educators from PTSs with other operating models (52%). Educators from non-profit PTSs were also less likely to report positive impacts to their benefits, including an increase in allotted sick days (5%) and opportunities for promotion (2%) compared to educators from PTSs with other operating models (13% of educators from these sites indicated increases in both sick days and opportunities for promotion).

Parents from non-profit PTSs (4%) were less likely than parents from PTSs with other operating models (6%) to report that they were paying too much for child care ($p < .001$). Families from PTSs with operating models other than non-profit were more likely than families from non-profit PTSs to report positive financial impacts and impacts to family quality of life and well-being (see Table 6.5).

Table 6.5 Parent-Reported Impacts by PTS Operating Model

	Non-profit	Other
Reduced financial stress	97%	100%
Improved quality of life	97%	100%
Ability to pay off debt	92%	97%
Improved physical health	81%	87%
Impact on work or school	73%	83%
Impact on another adult's work or school*	62%	68%

Source: Family Survey Site Visit 3 (2020), n = 982 (744 non-profit, 238 other). Only valid responses are reported. Differences are significant at the $p < .05$ level unless otherwise indicated (*$p < .001$).

6.5.3 By Care Type (In-Home vs. IT-intensive, IT-average, Non IT-intensive)

PTSs were categorized based on the proportion of infant/toddler (I/T) child care spaces out of all child care spaces at the site:

- In-Home: All in-home child care PTSs;
- IT-intensive: 100% I/T spaces;
- IT-average: 50%-75% I/T spaces; and
- Non IT-intensive: < 50% I/T spaces.

Some impacts reported by educators on the Site Visit 3 (2020) survey differed based on care type (see Table 6.6). Educators from in-home PTSs and I/T-intensive PTSs were more likely than educators from other PTSs to report an increase in time spent caring for children and preparing and planning classroom activities as a result of the initiative. Educators from in-home PTSs were most likely to report an increase in the number of hours worked as a result of the initiative (likely due to administrative requirements), but educators from I/T-average and non I/T-intensive PTSs reported working the greatest number of hours each week. Lastly, educators from I/T-intensive sites were most likely to report an increase in work-related stress as a result of the PTS initiative. As previously mentioned, some PTSs had been operating below capacity prior to the PTS initiative (e.g., enrolling nine children when they were licensed for 12); it tended to be I/T programs that were operating below capacity. The increase in work-related stress reported by these educators could be due to the increase in the number of children enrolled in the infant/toddler programs.

Table 6.6 Educator Reported Impacts by Care Type

	In-Home (n = 13)	I/T-intensive (n = 15)	I/T-average (n = 155)	Non I/T-intensive (n = 111)
Increased time spent caring for children	42%$_{a,b}$	54%$_{a,b}$	40%$_{b}$	21%$_{a}$
Increased time spent preparing and planning classroom activities	64%$_{a}$	33%$_{a,b}$	31%$_{a,b}$	17%$_{b}$
Increase in work hours	46%$_{a}$	7%$_{a,b}$	5%$_{b}$	9%$_{b}$
Average number of hours worked per week (range)	33 (8-60)	34 (21-38)	36 (7-60)	36 (12-50)
Increased work-related stress	15%$_{a,b,c}$	33%$_{c}$	6%$_{b}$	22%$_{a,c}$

Source: Educator Survey Site Visit 3 (2020), n = 294. Only valid responses are reported.
Cells within rows that have different subscript letters are significantly different from each other at the p < .05 level.

No differences in impacts to parents were observed based on care type of the PTSs. Differences in parent perceptions of affordability, impacts to their children, and satisfaction with PTSs were observed. Parents from IT-intensive PTSs were most likely to feel they were paying too much for child care and least likely to be satisfied with the hours of operation of the PTS compared to parents from other PTSs. Parents from in-home PTSs were least likely to be satisfied with the overall quality of child care provided at the PTS and least likely to agree that the quality of child care provided at the PTS positively impacted their child compared to parents from other PTSs (see Table 6.7).

Table 6.7 Educator Reported Impacts by Care Type

	In-Home (n = 60)	I/T-intensive (n = 68)	I/T-average (n = 456)	Non I/T-intensive (n = 398)
Feel they are paying too much for child care	15%$_{a,b}$	20%$_{b}$	11%$_{a,b}$	7%$_{a}$
Satisfied with the hours of operation of the PTS	97%$_{a,b}$	75%$_{b}$	91%$_{a}$	93%$_{a}$
Satisfied with the overall quality child care provided at the PTS	93%$_{a}$	95%$_{a,b}$	97%$_{b}$	97%$_{b}$
Quality of care provided at PTS positively impacted child*	90%$_{a}$	91%$_{a,b}$	97%$_{b}$	96%$_{b}$

Source: Family Survey Site Visit 3 (2020), n = 982. Only valid responses are reported.
Cells within rows that have different subscript letters are significantly different from each other at the p < .05 level unless otherwise indicated (* p < .001).

6.5.4 By Relative Quality

Impacts and outcomes were examined to see if they differed by relative child care quality at the PTSs. PTSs were categorized based on Site Visit 1 child care quality composite scores[49]:

- Lower-relative quality: Composite score SV1 < 3.75;
- Average-relative quality: Composite score SV1 3.75 to 3.9; and
- Higher-relative quality: Composite score SV1 > 4.0.

It is important to note, however, that lower quality does not mean that the quality of child care provided at the PTS was poor. Quality scores for all PTSs were high because the Ministry selected only high-quality sites to become PTSs.

A few of the impacts reported by educators who responded to the Site Visit 3 (2020) survey differed based on PTS child care quality. Educators from higher quality PTSs were more likely than educators from other PTSs to report that they noticed improvements in the quality of child care provided at their PTS since implementation of the initiative. Educators from higher quality PTSs were also more likely to report that the inclusivity of child care at their PTS was positively impacted by the PTS initiative. Educators from higher quality PTSs reported lower levels of work-related stress and higher levels of well-being compared to educators from other PTSs (see Table 6.8).

Table 6.8 Educator Reported Impacts by PTS Child Care Quality

	Lower relative quality (n = 76)	Average relative quality (n = 147)	Higher relative quality (n = 71)
Improved child care quality	43% $_{a,b}$	34% $_{b}$	55% $_{a}$
Improved inclusivity of PTS	24% $_{a}$	26% $_{a}$	47% $_{b}$
Work-related stress, M(SD)	2.1 (0.8) $_{a}$	2.2 (0.9) $_{a}$	1.7 (0.7) $_{b}$
Educator well-being, M(SD)	3.6 (0.7) $_{a}$	3.6 (0.6) $_{a,b}$	3.8 (0.6) $_{b}$

Source: Educator Survey Site Visit 3 (2020), n = 294. Only valid responses are reported.
Cells within rows that have different subscript letters are significantly different from each other at the p < .05 level.

No differences in impacts to parents were observed based on care type of the PTS. Differences in parent satisfaction and perceptions of staff/educator professionalism and impacts to children were observed (see). Parents from lower quality PTSs who responded to the Site Visit 3 (2020) survey were less likely than parents from other sites to report the following:

- The PTS their child attends reflects the diversity of the community;
- They were satisfied with the quality of care offered by the PTS;
- They trusted the staff/educators at the centre and viewed them as professionals; and
- Their child was positively impacted by the quality of child care provided at the PTS.

[49] Child care quality composite scores were calculated for each child care site based on the average of three scores: the AQI, the parent rating and the educator rating. See Section 6.6 for a detailed description.

Table 6.9 Parent Reported Impacts by Care Type

	Lower quality (n = 243)	Average quality (n = 474)	Higher quality (n = 260)
PTS reflects diversity of community*	95%$_{a}$	99%$_{b}$	100%$_{b}$
Satisfied overall with the quality of child care at the PTS	94%$_{a}$	98%$_{b}$	97%$_{b}$
Trust the staff at this centre*	96%$_{a}$	99%$_{a,b}$	100%$_{b}$
Consider staff to be professionals	94%$_{a}$	98%$_{b}$	98%$_{b}$
Quality of care provided at PTS positively impacted child	94%$_{a}$	97%$_{b}$	96%$_{b}$
Child seems to enjoy being at this centre	96%$_{a}$	98%$_{a,b}$	98%$_{b}$

Source: Family Survey Site Visit 3 (2020), n = 982. Only valid responses are reported.
Cells within rows that have different subscript letters are significantly different from each other at the $p < .05$ level unless otherwise indicated (* $p < .001$).

Summary of Impacts and Outcomes of the Childcare BC Universal Prototype Sites Initiative by PTS Characteristics

In general, few differences in impacts or outcomes based on PTS characteristics were observed. Where differences were observed, it should be noted that high levels of parent and educator satisfaction were observed regardless of PTS characteristics. Similarly, large proportions of families and educators reported positive impacts as a result of the initiative regardless of PTS characteristics.

Location:
Parents from urban PTSs were slightly more likely than parents from rural PTSs to agree that they considered the educators at the PTS to be professionals. Parents from urban areas were also more likely to think that they were "paying too much" for child care and that their child was positively impacted by the quality of care provided at the PTS.

Operating Model:
Educators from non-profit PTSs were less likely to report that they had noticed an improvement in the quality of child care since implementation of the initiative, and were less likely to report positive impacts to their benefits compared to educators from other PTSs.

Parents from non-profit PTSs were less likely than parents from PTSs with other operating models to report that they were paying "too much" for child care. Families from PTSs with operating models other than non-profit were more likely than families from non-profit PTSs to report positive financial impacts and impacts to family quality of life and well-being.

Summary of Impacts and Outcomes of the Childcare BC Universal Prototype Sites Initiative by PTS Characteristics (Cont'd)

Care Type:
Educators from in-home PTSs were more likely than educators from centre-based PTSs to report an increase in the number of hours worked. Educators from IT-intensive and non-IT intensive PTSs reported working the greatest number of hours per week, compared to all other educators (i.e., those at in-home sites and IT-average sites).

Few differences in parent reported impacts were observed. Parents at IT-intensive sites were most likely to feel like they were paying "too much" for child care and least likely to be satisfied with the hours of operation of the PTS. Parents from in-home PTSs were least likely to be satisfied with the quality of care provided at the PTS.

Quality:
Educators from higher relative quality PTSs were more likely than educators from other PTSs to report that they noticed improvements in the quality of child care provided at their PTS since implementation of the initiative and that they had noticed positive changes to inclusivity at their PTS. Educators from higher relative quality PTSs reported lower levels of work-related stress and higher levels of well-being compared to educators from other PTSs.

Parents from lower-relative quality PTSs who responded to the Site Visit 3 (2020) survey were less likely than parents from other sites to report that they were satisfied the quality of care provided by the PTS.

6.6 Impact and Outcomes of the *Childcare BC Universal Prototype Sites* Initiative on Child Care Quality

Malatest assessed child care quality at each PTS at Site Visit 1 (2019) and Site Visit 3 (2020). PTS educators and families were asked to rate their satisfaction with the quality of child care provided at the PTS on both family and educator surveys. During Site Visit 1 and Site Visit 3, Malatest completed observational assessments of child care quality using the AQI. It was expected that PTSs would see improved child care quality over the course of the initiative due to the following:

- Increased ability of ED/Site Supervisors to focus on programming due to reduced time spent managing finances;
- Ability to implement quality improvements using the one-time QI grant provided to all PTSs by the Ministry ($1,100 per full-time contracted child care space); and
- PTSs making changes based on recommendations presented in the Site Summary Report that Malatest developed for each PTS following Site Visit 1.

Child care quality was analyzed at the PTS level. A single quality rating for each time point (Site Visit 1 and Site Visit 3) was computed for each PTS based on parent and educator survey responses. Malatest then aggregated parent and educator survey responses to arrive at one quality rating for parents and one quality rating for educators (for both Site Visit 1 and Site Visit 3). AQI scores already reflected a site-level rating so

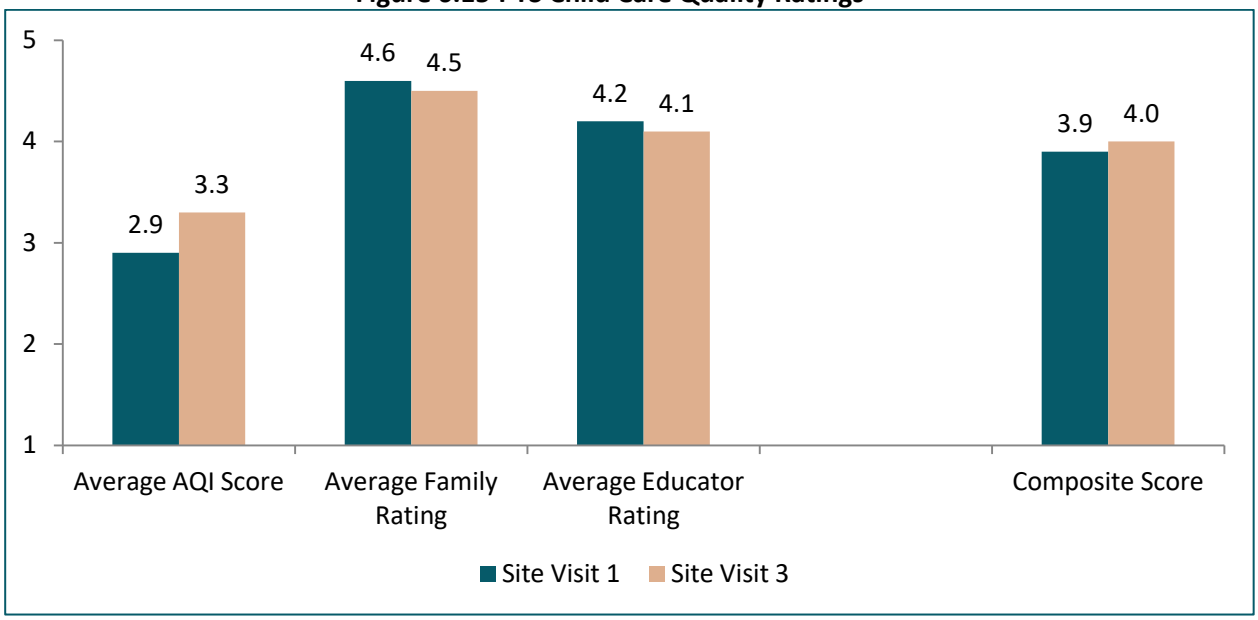
no manipulation of these scores was required. All measures were scored on a five-point scale, which made creating a composite child care quality score fairly straightforward: an overall rating of child care quality was computed for each site by taking the average of aggregate family ratings of quality, aggregate educator ratings of quality, and AQI scores for Site Visit 1 and Site Visit 3.

It should be noted that because quality was assessed from different perspectives (i.e., PTS educators, PTS families, and an observation assessment completed by evaluators) there are differences in how quality was perceived. That is, parents are likely to view child care quality differently than educators, and perceptions of child care quality may differ from how quality is defined by a tool like the AQI. Among parents and educators there may also be different perceptions and definitions of quality. Using a composite score, rather than relying on one data source, ensures that a variety of perspectives are considered equally. This method resulted in a comprehensive composite child care quality score.

In general, Malatest observed improvements in child care quality ratings at the PTSs from Site Visit 1 to Site Visit 3. Educator and family ratings of satisfaction with quality were high at Site Visit 1 and remained high at Site Visit 3; no changes in these quality ratings were observed. AQI ratings did show a statistically significant increase from Site Visit 1 to Site Visit 3. While the magnitude of the change seems small (0.4 scale points), it is likely a meaningful and real change in child care quality as measured by the AQI (Cohen's $D^{50} = 0.97$, $p < .001$). Lastly, the child care quality composite score displayed a modest but statistically significant increase from Site Visit 1 to Site Visit 3 (Cohen's $D = 0.43$, $p < .001$) (see Figure 6.15). Given that PTSs implemented quality improvements that were, in many cases, related to Malatest's recommendations to the PTSs in the Site Visit Summary Reports produced after the first site visit, it is not surprising that the largest change observed was in AQI ratings, compared to family and educator ratings. Recommendations in the Site Summary Reports were largely based on AQI observations but also on the PTS's wish list and existing quality improvement plans.

[50] Cohen's D is a measure of effect size used to demonstrate the magnitude of a difference between two means: 0.2 = small effect; 0.5= medium effect; 0.8= large effect.

Figure 6.15 PTS Child Care Quality Ratings



Source: Site Visit 1 (2019) and Site Visit 3 (2020) Educator Survey, n = 300 and 294 respectively (aggregated to PTS-level, n = 46); Site Visit 1 (2019) and Site Visit 3 (2020) Family Survey, n = 995 and 982 respectively (aggregated to PTS-level, n = 52); Site Visit 1 and Site Visit 3 AQI assessments, n = 52. All measures on five-point scales. Ratings range from 1 to 5, where 5 indicated higher levels of satisfaction.

On average, PTSs saw a 2.6% increase in overall child care quality (as measured by the composite score). Some differences in the change in composite scores by PTS location (urban vs. rural) and operating model (non-profit vs. other) were observed, but these differences were not statistically significant. Rural PTSs tended to experience greater improvements in child care quality compared to other PTSs (see Table 6.10).

Table 6.10 PTS Child Care Quality Ratings by Site Type

		Site Visit 1 (2019)				Site Visit 3 (2020)				
		AQI	Family Rating	Educator Rating	Composite Score	AQI	Family Rating	Educator Rating	Composite Score	% Change (composite)
Overall		2.9	4.6	4.3	3.9	3.3	4.5	4.3	4.0	2.6%
Location	Urban	3.0	4.6	4.2	3.9	3.3	4.6	4.1	4.0	2.6%
	Rural	2.8	4.5	4.2	3.8	3.2	4.5	4.3	4.0	5.3%
Operating model	Non-profit	3.0	4.5	4.1	3.8	3.3	4.5	4.0	3.9	2.6%
	Other	2.8	4.6	4.5	4.0	3.3	4.6	4.5	4.1	2.5%

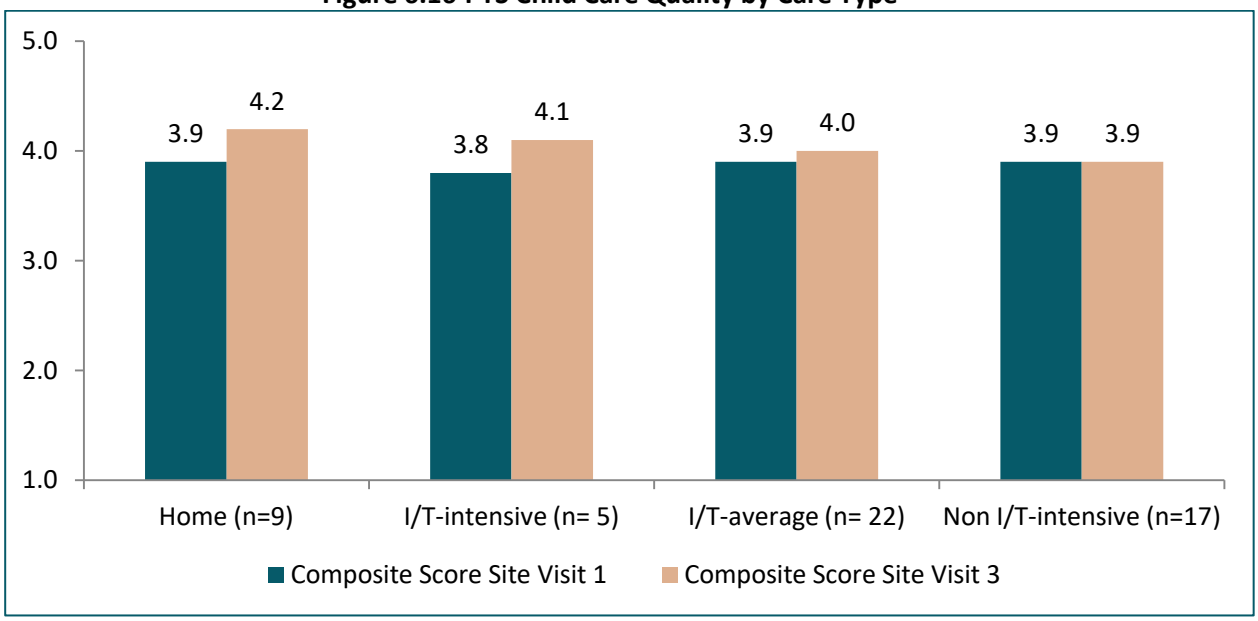
Source: Site Visit 1 (2019) and Site Visit 3 (2020) Educator Survey, n = 300 and 294 respectively (aggregated to PTS-level, n = 46); Site Visit 1 (2019) and Site Visit 3 (2020) Family Survey, n = 995 and 982 respectively (aggregated to PTS-level, n = 52); Site Visit 1 and Site Visit 3 AQI assessments, n = 52.

Change in child care quality was also examined by care type (i.e., the age of children that the PTS provides care to). Sites were categorized based on the proportion of I/T out of all contracted full-time child care spaces at their PTS:

- In-Home: All in-home PTSs;
- I/T-intensive: 100% I/T care;
- I/T-average: 25% to 75% I/T; and
- Non I/T-intensive: < 25% I/T.

In-Home PTSs and I/T-intensive PTSs experienced the largest improvement (8%) compared to all other sites. I/T-average PTSs experienced little change (3%) and Non I/T-intensive PTSs experienced no change in quality ratings (see 0).

Figure 6.16 PTS Child Care Quality by Care Type



Source: Site Visit 1 (2019) and Site Visit 3 (2020) Educator Survey, n = 300 and 294 respectively (aggregated to PTS-level, n = 46); Site Visit 1 (2019) and Site Visit 3 (2020) Family Survey, n = 995 and 982 respectively (aggregated to PTS-level, n = 52); Site Visit 1 and Site Visit 3 AQI assessments, n = 52. Ratings range from 1 to 5, where 5 indicated higher levels of satisfaction.

6.6.2 Quality Improvement Grant and the Implementation of Quality Improvements at PTSs

Changes in quality were largely facilitated by the QI grant that was provided to PTSs in March 2019 and there is little evidence to suggest that changes in quality at the PTSs would have occurred without the provision of QI grants. On average, PTSs reported spending 64% of their QI grant as of February 2020 (median expenditure = 80%). Only 11 PTSs reported spending 100% of their QI grant money by February 2020. A small proportion reported spending none of their QI grant; however, it is likely that these sites did spend QI grant funds but did not report them under QI expenditures when filling out the monthly reports (see Table 6.11).

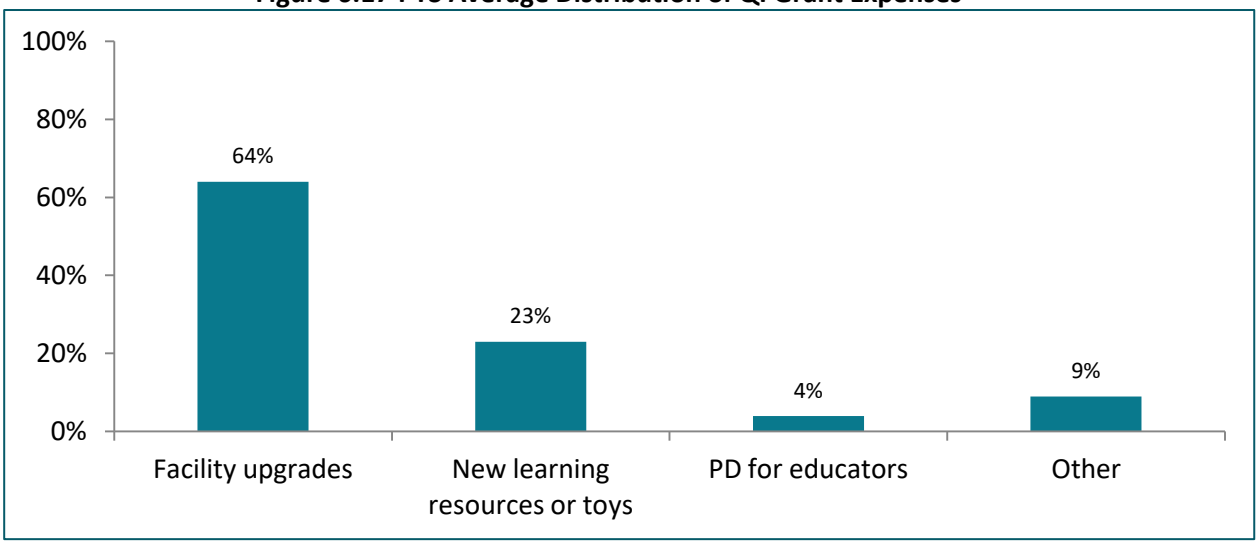
Table 6.11 Proportion of QI Grant Spent by PTS

Proportion of QI Grant Spent	Number of PTSs
100%	11 (20%)
80-99%	15 (11%)
> 80%	22 (40%)
0%	4 (8%)

Source: PTS Monthly Reports (March 2019-February 2020).

PTSs reported spending, on average, 64% of their QI grant funding on facility improvements; these improvements included things like general maintenance and repairs to the facility, improving or replacing playgrounds, and the addition of fences or shelving to make the program space safer and/or more functional. An average of 23% of the QI grant was spent on learning resources and toys, and 4% on professional development and training opportunities for educators (see Figure 6.17 and Figure 6.18). The proportion of QI grant spent overall and the proportion spent per domain (e.g., facility) was not related to the change in child care quality composite scores.

Figure 6.17 PTS Average Distribution of QI Grant Expenses



Source: March 2019 to February 2020 PTS Monthly Reports.

Figure 6.18 Examples of Quality Improvements at PTSs

Facility Upgrades:



Playground Improvements:



Learning Resources and Toys:



Classroom Set-up Improvements:



6.6.3 Parent Feedback on Quality

The majority of parents who responded to the Site Visit 3 (2020) survey agreed that their child seemed to enjoy being at the PTS (97%) and that the quality of child care provided at the PTS had positively impacted their child (95%). In general, 73% of parents who attended the Site Visit 3 focus groups indicated that they noticed "very improved" or "somewhat improved" child care quality at the PTS since the initiative was implemented. Some parents (18%) reported that they did not notice improvements in the quality of child care; most of these parents indicated that they felt the site was already offering high quality child care prior to becoming a PTS. Only a small proportion (9%) of parents reported that they had observed a reduction in child care quality at the PTS since the initiative was implemented.

Parents at the focus groups were presented with six components/domains of child care and asked to identify the three domains where they had noticed the most improvement since the centre became a PTS. They were also asked to identify the domain that still needed improvement and were given the option to select "nothing" if they did not think there was any need for additional improvements at the PTS. Parents identified the following areas as most improved at the PTSs:

1. The facility (55%);
2. Learning and development (15%); and
3. Communication and interaction (8%).

These improvements, as identified by parents, align with QI grant spending trends: the majority of sites spent the largest portion of their grant on the facility, followed by learning resources and toys, which may have impacted learning and development. Lastly, parents reported improvements in communication, which may have been impacted by educator training and PD (many PTSs indicated that their educators participated in training on documentation and pedagogical narration).

When asked about domains that could still be improved, some parents (28%) identified staffing. These parents identified that improvements in staffing were needed to address larger issues in the ECE community (e.g., shortage of workers, low wages, and high turnover rates). Educators and child care staff are the backbone of quality and an integral piece to any high quality child care operation. Research has suggested that educator training and qualifications are directly linked to child care quality. Further, educator working conditions have been linked to child care quality. Educators working in better conditions (i.e., less stressful environments, lower ratios of children to educators, higher pay and benefits) are better able to foster a high quality learning environment compared to educators working in poor conditions (i.e., working long hours, receiving low pay, etc.).[51,52] Parents stressed that the improvement needed in the staffing domain was not meant to indicate that there were concerns or issues with the educators currently working at PTSs. An equal number of parents (28%) indicated they were happy with the centres and did not think there was a substantial need for further improvements. Smaller proportions of parents identified that communication and interaction (17%), the facility (11%), learning and development (7%), inclusivity (6%), or health and safety (3%) could be improved at the PTSs.

> The facilities are a lot nicer now; for example, the appliances in the kitchen. Not necessarily child-facing stuff, but other areas that make delivering child care possible.

> The variety of things accessible by toddlers has improved. It seems as though there is more for my second kid to literally dive into!

> The centre is able to do more…it is a 100% difference and so much better. The resources, staff, and different activities are substantially different now, even as compared to last year.

[51] http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.456.8164&rep=rep1&type=pdf.
[52] https://www.oecd-ilibrary.org/docserver/9789264085145-6-en.pdf?expires=1595953634&id=id&accname=guest&checksum=FD0853D1540C9353EB03DD4B7B2484AE.

Summary of Impacts and Outcomes of the Childcare BC Universal Prototype Sites Initiative on Prototype Site Child Care Quality

Child Care Quality Ratings:
A modest increase in child care quality was observed. The changes in child care quality can be attributed to the provision QI grants but there is little evidence to suggest that PTSs were implementing quality improvements due to reduced financial pressure.

PTSs were examined to see if the change in quality differed by PTS characteristics. There were few differences in quality or quality improvements across different PTS types and changes in quality (or quality in general) did not differ by operating cost. In general, Home PTSs saw the greatest improvements in overall quality ratings compared to all other PTSs.

Quality Improvement (QI) Grant:
QI grants facilitated quality improvements at sites. There is little evidence to suggest that changes would have been possible without the provision of QI grants. PTSs spent an average of 64% of their QI grant funding by February 2020 (median = 80%). The majority QI grant funding was spent on the facility (64%), followed by learning resources and toys (23%).

Parent feedback:
Parents were satisfied with the quality of child care offered by the PTSs and thought that their children were positively impacted by attending these child care programs. Parents noticed positive changes in child care quality over the course of the initiative; they noticed the greatest improvements to the child care facilities, followed by learning and development and communication. These changes align with QI grant spending as the majority of sites spent the largest portion of their grant on the facility.

6.7 Unintended Impacts of the *Childcare BC Universal Prototype Sites* Initiative

A few unintended impacts of the PTS initiative were observed. In the absence of province-wide $10/day child care, it was observed that some parents reserved and paid for child care space that they did not need or use consistently. Some parents, for example, enrolled their children full-time for five days per week so that they would have flexibility to have child care any day of the week, when needed, even though they only required care for four or fewer days per week. Some parents also enrolled their children over the summer months, when they would have typically withdrawn them, just to ensure they did not lose their affordable PTS child care spot. Due at least in part to parents reserving more child care space than they needed, PTSs reported lower-than-expected attendance rates. PTS ED/Site Supervisors noted that their programs experienced lower levels of turnover in enrolled children than what was typical. Due to reduced turnover, families reported not being able to access care for preschool-aged children when they aged out of the toddler program. PTS ED/Site Supervisors reported that preschool-age programs were fully subscribed under the PTS initiative, whereas prior to the initiative these programs were not fully subscribed and some centres previously held spots in their preschool-age programs for toddlers who would be aging out of the toddler program. Prior to the initiative, some families would have struggled to access child care for their three- to five-year-olds but under the PTS initiative this problem has been intensified: parents who were

paying $200/month for child care for their toddlers were, in some cases, having to find alternative child care at full cost once that child turned three or until there was a space in the preschool-age program at their PTS.

Unintended impacts in terms of labour force attachment were also observed. Access to child care allows parents, particularly mothers or the primary caregivers, to return to work. The evaluators observed approximately 41% of survey respondents reporting being able to work full-time or part-time and 21% reporting another adult being able to work full-time or part-time. A small reduction in labour force attachment was also observed: 12% (n = 118) of parents reported working fewer hours and 8% (n = 79) of parents reported working fewer jobs. The reduction in the number of hours or jobs worked likely contributed to an increase in family well-being and quality of life and, while it was an unintended impact, it should not be viewed as a negative impact. This unintended impact is likely due to the design of the initiative: existing child care centres were converted to PTSs and were not required to increase their number of child care spaces they offered.

In addition to the unintended impacts to PTS families, PTS ED/Site Supervisors reported some unanticipated challenges. Many ED/Site Supervisors initially found the monthly reporting requirements to be confusing and time consuming. Over the course of the initiative, the Ministry made changes to the monthly reporting to make the requirements clearer; ED/Site Supervisors indicated that, with some experience, the monthly reporting requirements came to be less burdensome. A few ED/Site Supervisors were initially unsure whether they were eligible for grants that their centre had come to rely on; for example, a few centres relied on the Community Gaming Grant but were deemed ineligible due to being a PTS, which caused concern over loss of revenue and an inability to cover operating expenses as this grant provided up to $100,000 a year to eligible child care centres. After some discussion between the Ministry, the PTSs, and the grant adjudicators, it was determined that PTSs were eligible for funding and did receive the grant funding they had come to rely on.

The ECE WE was offered to educators at PTSs before it was offered to educators at non-PTS child care centres across B.C. This caused some challenges for PTSs that were part of a larger network of child care centres. PTS ED/Site Supervisors at sites with multiple locations or partner locations felt it was unfair that some of their educators (those working at the PTS) received the ECE WE prior to their educators that were not working at the PTS, though ultimately all eligible ECEs received the ECE WE retroactive to September 2018. To further complicate things, some educators split their time between the PTS and non-PTS and received a different wage for the same work at either centre.

PTSs were required to submit audited financial statements that aligned with the Ministry's fiscal year (ending in March). This did not align with the fiscal years of many PTSs, which tended to end in December rather than March, and was an unforeseen expense. PTS ED/Site Supervisors reported having to pay an accountant large sums of money (in some cases in excess of $5,000) to generate an audited financial statement that aligned with the Ministry's fiscal year end. Some PTSs struggled to produce these statements because their accounting processes were not set up in a way that was conducive to generating such a statement.

Lastly, though rare, a small number of PTSs reported decreased in-kind support. For example, at least one PTS was asked to increase their monthly contribution to facility maintenance and up-keep after becoming a PTS. Another PTS was asked to increase their monthly rent contribution when they had previously been

paying reduced rent. In some cases, partner organizations appeared to perceive the PTS initiative as an increase in funding for the child care centres, which seems to have justified their decision to raise rent or other facility-based expenses. The vast majority of PTSs did not report any changes to their existing partnerships or any unexpected decreases in support (financial or otherwise) from these partnerships.

Inclusion Pilot Project: Unintended Impacts

Inclusion Coordinator PTSs had a hard time hiring Inclusion Coordinators. Due to the time-limited nature of the Inclusion Coordinator contract and general shortage of ECEs, PTS ED/Site Supervisors reported difficulty in hiring a qualified individual for this position. In the end, all but one Inclusion Coordinator PTS was able to hire for the role. Sites did express concern about the qualifications of Inclusion Coordinators and thought they could have benefited from the input of an inclusion specialist or expert. Additionally, implementation of the *Inclusion Pilot Project* had some unintended impacts on how the PTS collaborated with SCD/ASCD. In some cases, SCD/ASCD consultants felt as if they were being phased out and replaced by the Inclusion Pilot Models, though this was never the intention of the Pilot. There appeared to be a general lack of information available to many of the SCD/ASCD consultants who were interviewed and, as a result, many consultants were unclear of the purpose and short-term nature of the *Inclusion Pilot Project*. Some Inclusion PTSs required the continued support of SCD/ASCD, either to provide one-to-one care that the PTS could not provide without the help of SCD/ASCD or to ensure continuity of care for children transitioning into kindergarten. Although the Ministry released a FAQ document at the beginning of the Pilot that addressed the transition of select child care centres to Inclusion Model PTSs, this information did not always reach the SCD/ASCD consultants. Two Inclusion Model PTSs also reported difficulty transitioning back to SCD support following the completion of the *Inclusion Pilot Project* in March 2020, despite the Ministry meeting with SCD/ASCD coordinators to collaboratively discuss the transition process from the Inclusion Pilot Model back to SCD/ASCD programs in early 2020.

SECTION 7: FINDINGS - ABORIGINAL HEAD START SITES

This section summarizes findings related to the AHS Child Care centres. Data analyzed for this subsection was derived from feedback provided by the Prototype Site ED/Site Supervisors, educators, and parents. Data sources include:

- AHS ED/Site Supervisor interviews [(Site Visits 1 (2019, 2 (2019), and 3 (2020)];
- AHS educator survey [Site Visits 1 (2019) and 3 (2020)];
- AHS family survey [Site Visits 1 (2019) and 3 (2020)];
- AHS family focus groups [Site Visits 1 (2019) and 3 (2020)];
- AHS sector partner Interviews [Site Visit 2 (2019)]; and
- Child care quality assessment scores [Site Visits 1 (2019) and 3 (2020)].

AHS sites were different from the other 53 PTSs because they participated in the study for evaluation purposes only. AHS sites were fully funded through AHS expansion funding (provided by the Canada – British Columbia ELCC Agreement) and do not charge a parent fee. As a result, these sites were not eligible for the PTS funding or any initiatives related to it, including QI grants. Two AHS sites were included in this evaluation to aid in the understanding of strengths and impacts of the AHS model as one approach to delivering child care to Indigenous communities. AHS sites participated in the same evaluation activities as all PTSs, but did not have the same monthly reporting requirements.

Both AHS sites began offering child care in September-October 2018; parents who enrolled their children at these sites previously relied on other sources of child care or did not have access to child care for their children. In order to assess the impact of AHS, parents and educators at the centres completed similar surveys to those at PTSs.

7.1 Survey Respondents

Educators and parents at the AHS child care centres were invited to complete a survey in January 2019 (around the same time as Site Visit 1) and again in January 2020 (around the same time as Site Visit 3). Ten families and nine educators completed the first survey and 18 families and 13 educators completed the second survey (see Technical Appendix for survey response rates and an overview of respondent characteristics).

7.2 Impacts of AHS Child Care

Impacts related to AHS child care were reported by families and educators at the centres. Families reported impacts related to connection to family, language, and culture, as well as to their family well-being, finances, and work or school life. Educators reported impacts to their work-related stress and satisfaction. Parent and educator satisfaction with child care quality was also examined. Lastly, child care quality was assessed using the AQI and LOVIT[53] Way Program Evaluation Process (PEP). Where appropriate,

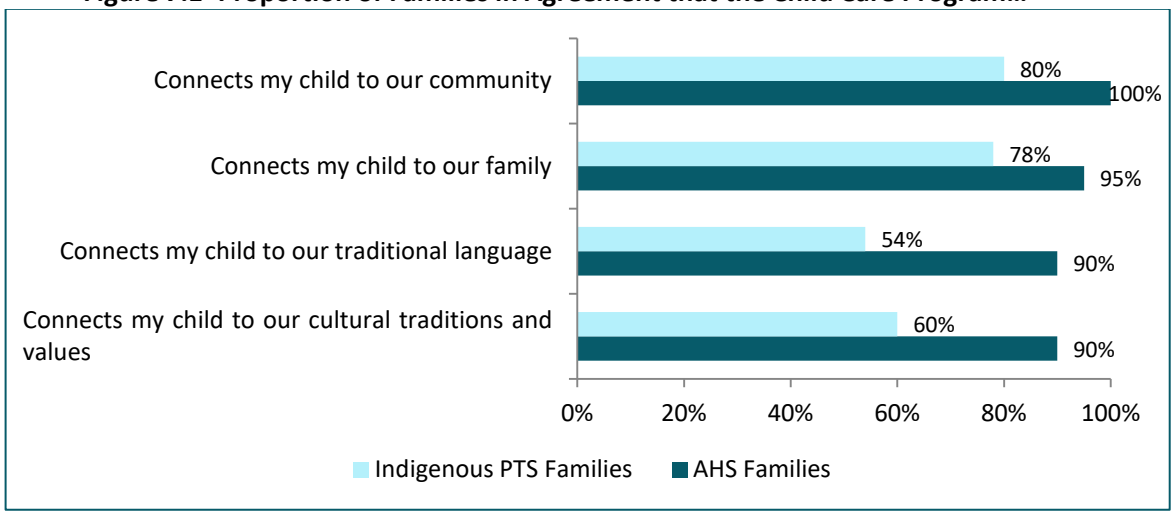
[53] **Learning** about the Principles & Guidelines of Aboriginal Head Start (AHS) programs; **Observing** and witnessing our programs; **Valuing** what we do for our children and families; **Inspiring** our communities by planning together what we want to do; **Transforming** our programs into the best they can be! https://www.thelovitway.ca/.

comparisons were made between 2019 and 2020 data, and between parents from AHS sites and Indigenous parents from PTSs.

7.2.1 Family Impacts: Connection to Family, Language, and Culture

Families were asked a series of questions about whether the child care program helped to connect their children to the community, and to their culture, traditions, and language. The majority of AHS families agreed that it did help (see Figure 7.1). Indigenous parents from PTSs were significantly less likely than parents from AHS sites to agree that the child care program their children attended helped connect their children to the community, and to their culture, traditions, and language.

Figure 7.1 Proportion of Families in Agreement that the Child Care Program…



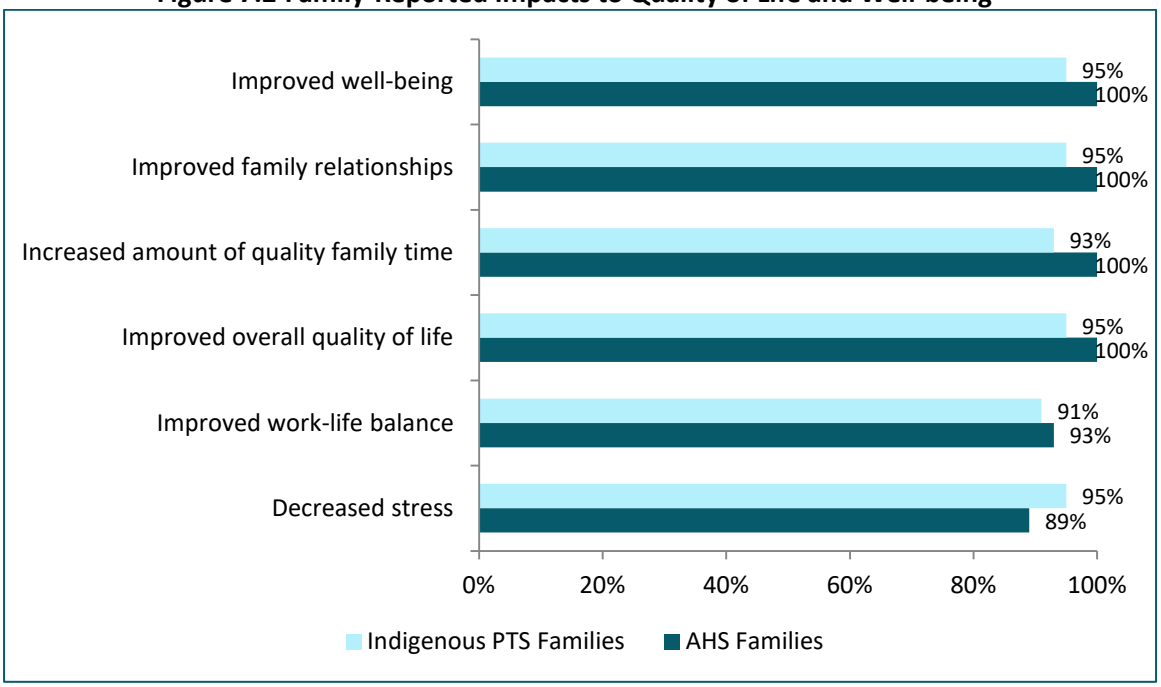
Source: Family Survey Site Visit 3 (2020), AHS n = 18; PTS n = 69. Only valid responses are reported.

During the focus groups with AHS families, parents expressed gratitude for having access to AHS child care, with one saying, "[AHS] daycare has been such an amazing switch for our daughter: smaller group sizes, connection to her culture, and incredible staff. We are so grateful for the opportunity to attend this daycare while I go back to school." Parents also spoke out about why having Elders at the centre was important to them: "My children don't have grandparents. I like that they can get that connection with the Elders." In general, parents valued the cultural and language focus that AHS offers compared to mainstream child care programs.

7.2.2 Family Impacts: Well-being and Quality of Life

AHS families also reported impacts to their family well-being and quality of life. Families at AHS centres were, in general, more likely than Indigenous families at PTSs to report positive impacts to well-being and quality of life (see Figure 7.2).

Figure 7.2 Family-Reported Impacts to Quality of Life and Well-being



Source: Family Survey Site Visit 3 (2020), AHS n = 19; PTS n = 69. Only valid responses are reported.

7.2.3 Family Impacts: Physical and Mental Health

Families at AHS sites reported improved mental health (100%) and improved physical health (100%); again, AHS families were more likely than Indigenous families at PTSs to report these impacts (where 94% reported improved mental health and 87% reported improved physical health). AHS child care programs are full family support programs and provide wrap-around support services to families with children enrolled, which likely contributed to the reported improvements to mental and physical health. Through the AHS programs, families have access to medical professionals, community support services, child development specialists, etc. Parents at the focus groups commented that these services are beneficial and appreciated: "I don't have to run around all over the place if I have appointments; they [my child] get all of the support services [e.g., speech therapy] they need in one place." They also appreciated that children were fed healthy meals and snacks, which contributed to improved health and further reduced the burden on parents and families: "I love that they feed the kids healthy meals and snacks here, because sometimes we don't have food at home."

7.2.4 Family Impacts: Financial

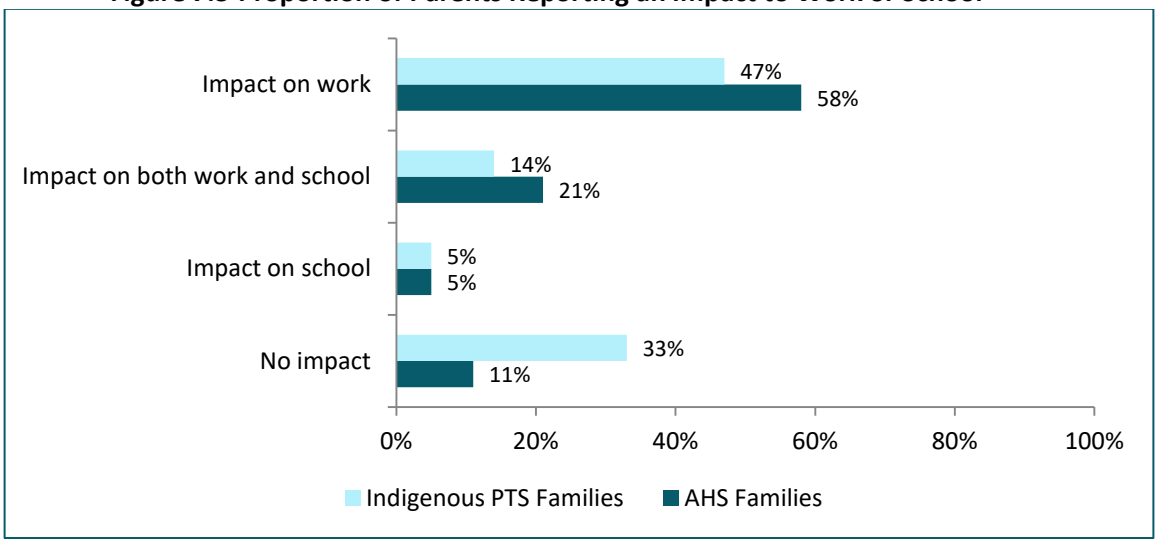
Parents reported some financial impacts in addition to the psychosocial impacts already discussed. The majority of parents (90%) reported reduced financial stress because they no longer needed to worry about paying child care fees. Reduced financial burden allowed some parents to save money (85%), pay off debt (70%), or increase spending on extracurricular activities (68%). The majority of families also reported improved housing stability (90%). Indigenous families at PTSs were slightly more likely to report positive financial impacts compared to families at AHS centres. It is possible that this is because Indigenous parents at PTSs were paying full or partial child care fees prior to experiencing a reduction in fees when the PTS initiative was implemented. Families at AHS centres were, for the most part, not paying child care fees prior

to enrolling their children at the AHS centre and AHS programs do not charge a parent fee so no reduction in fees was experienced.

7.2.5 Family Impacts: Work and School

Nearly one-third of families at AHS child care centres reported that having no-cost child care had an impact on their work or school life. Families at AHS centres were more likely than Indigenous families at PTSs to report an impact on their work or school (see Figure 7.3). This finding is likely explained by the fact that families with children enrolled at AHS sites are, in some cases, required to be working or pursuing education or job training.

Figure 7.3 Proportion of Parents Reporting an Impact to Work or School



Source: Family Survey Site Visit 3 (2020), AHS n = 19; PTS n = 69. Only valid responses are reported.

Parents at AHS sites reported a range of impacts on their work or school life, including being able to focus more on work (58%), return to work (full-time 53%; part-time 21%), work more hours (53%), work fewer hours (16%), or work fewer jobs (16%). Parents also reported that because they now had child care they could return to school (26%), focus more on school (26%), or apply for programs and start planning to return to school (42%). During the family focus groups, parents commented that without access to free and reliable child care they would not have been able to return to work or school:

> Affordability has provided me the option to work.

> [This AHS] centre has been fantastic. It has made taking my registered nursing degree easy!

7.3 Impacts

Educators at the AHS child care centres reported improved well-being and reduced levels of work-related stress from the time the centres first opened (around the same time as the first survey). A medium effect size was noted for both of these impacts (see Table 7.1).

Table 7.1 Change in Educator Well-being and Work-related Stress

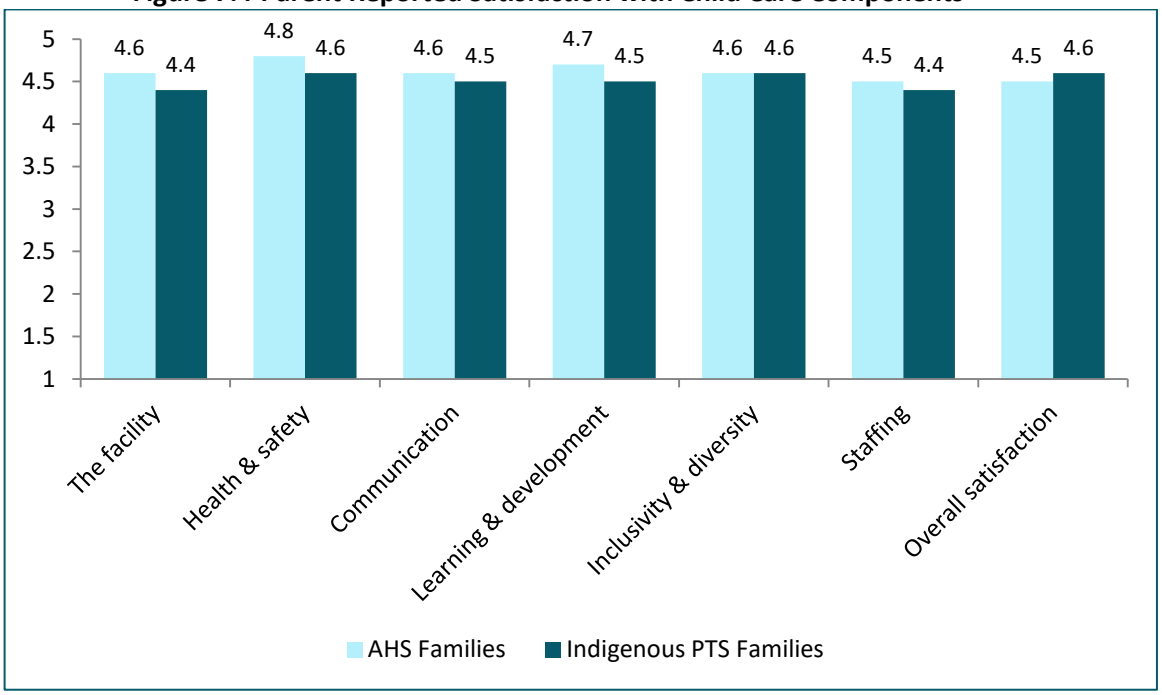
	Site Visit 1 (2019)	Site Visit 3 (2020)	% Change	Hedges G (effect size)[54]
Educator well-being	3.3	3.6	9%	0.5
Educator work-related stress	2.7	2.2	18%	0.6

Source: Educator Survey Site Visit 1 (2019), n = 8; Educator Survey Site Visit 3 (2020), n = 12.

7.4 Impacts to Child Care Quality

Parents rated their level of satisfaction with six components of child care. There were no major differences in parent satisfaction between parents at AHS sites and Indigenous parents at PTSs. Overall, parents were satisfied with the quality of care offered at AHS sites and PTSs (see Figure 7.4).

Figure 7.4 Parent Reported Satisfaction with Child Care Components



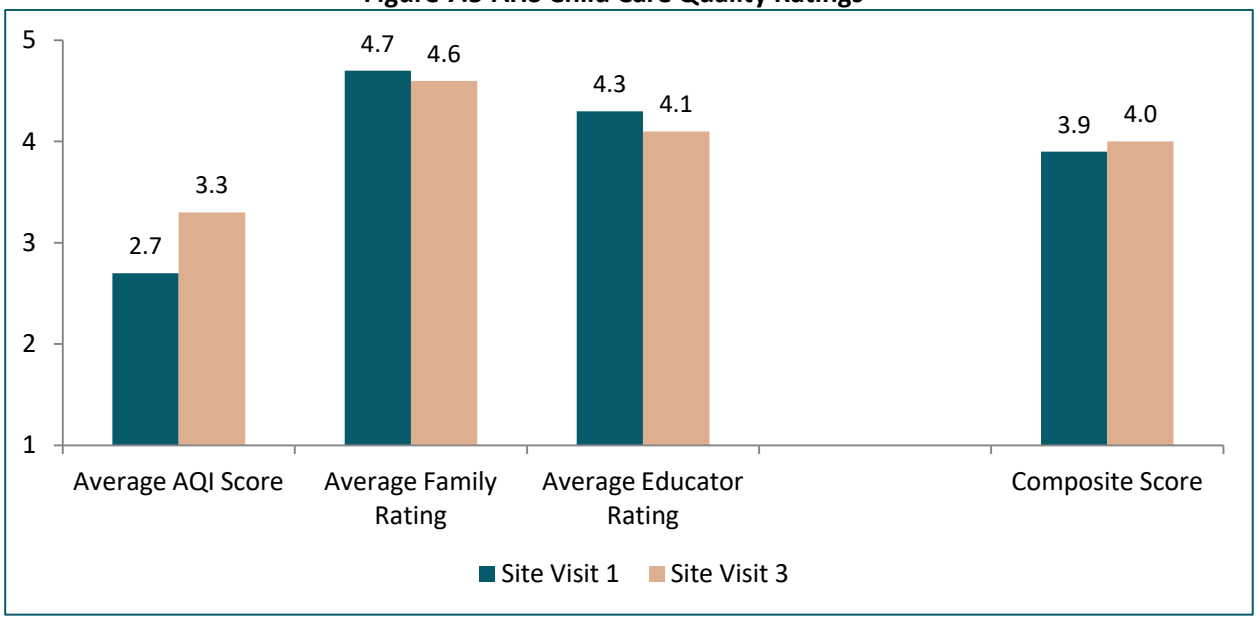
Source: Family Survey Site Visit 3 (2020), AHS n = 19; PTS n = 69. Ratings range from 1 to 5, where 5 indicated higher levels of satisfaction. Only valid responses are reported.

[54] Hedges G is a measure of effect size used to demonstrate the magnitude of a difference between two means: 0.2 = small effect; 0.5= medium effect; 0.8= large effect. For small samples sizes this measure is preferred to Cohen's D.

7.4.2 Changes in Child Care Quality

Parents and educators rated their level of satisfaction with various components of child care quality on the Site Visit 1 (2019) and Site Visit 3 (2020) surveys. Ratings from 2019 were compared to ratings from 2020 to assess whether the quality of child care changed over that period of time. Given that the AHS sites were provided with funding to support the delivery of high quality child care programming, and that educators receive a higher wage than what is typical for ECEs at other PTSs, high satisfaction with quality child care was to be expected. It was anticipated that changes in satisfaction with quality may be noticed across the two ratings as both AHS child care centres were newly opened around the time of the first survey. Over the course of the year, the centres acquired more resources and training and were able to improve their daily routine and child care programming. Family and educator ratings of child care quality remained fairly stable. Minor decreases in satisfaction with quality were noted between the two surveys but, given the small samples sizes, it is difficult to know whether these are true and meaningful changes. Overall, family and educator satisfaction remained high and the composite score showed a small to medium (Hedge's G = 0.45) positive change in quality, although, this was not statistically significant (see Figure 7.5).

Figure 7.5 AHS Child Care Quality Ratings



Source: AQI assessments from Site Visit 1 and 3; aggregate family and educator survey data from Site Visit 1 (2019) and Site Visit 3 (2020) surveys, n = 2.

7.4.3 The LOVIT Way Program Evaluation Process (PEP)

The LOVIT Way PEP was completed at both AHS child care centres in February 2019 during Site Visit 1. Following observations of the AHS programs, the nine domains of the LOVIT tool were coded to identify areas where the programs were doing well and areas where action was needed and improvement could be made. The nine domains include AHS beliefs and values, culture and language, education, health promotion, nutrition, social support, family involvement, and accountability and management. The LOVIT evaluation revealed some common areas of strengths and areas in need of improvement at both AHS child care centres. Both programs offered child care that was reflective of AHS beliefs and values and incorporated traditional culture and language into their program. At the time that the LOVIT observations

were first completed, the AHS centres had only been operational for a few months; thus, there was some room for improvement in terms of the programs being reflective of local, traditional culture and language.

At Site Visit 3, Malatest observed that both programs had made significant improvements in this area, despite this not being listed as an area were action was needed. AHS sites noted that health and safety regulations prohibited them from incorporating traditional foods into their program, which was one way they wished to incorporate culture into their programs.

Due to the programs only having been operational for a short period of time, it was identified that parent and family involvement and Elder involvement at the sites could be improved. At the time of Site Visit 3, Malatest observed that both sites had made efforts to engage parents and families with the AHS program. Sites mentioned that it was difficult to engage parents, particularly if their children were bused to and from the AHS program rather than dropped off. The AHS sites had made efforts to have community/parent events in the evening; for example, offering a community dinner once every couple of months and organizing events (e.g., a floor hockey game or drum making) for parents and families to attend on the weekend. Elder involvement was more difficult for the AHS sites to organize. Both sites mentioned that Elders are quite busy because there is a high demand for their involvement in the community but only a limited number of Elders to fulfill all of these requests. AHS sites indicated that they often relied on cultural knowledge keepers (i.e., community members with traditional knowledge and/or language) rather than, or in addition to, an Elder to participate in activities with the children and to teach the children and the educators about their culture.

Based on the LOVIT evaluation and the sites' own observations, the AHS sites were able to develop action plans to work towards their goals of strengthening their program. At the time of Site Visit 3, both AHS sites had made improvements in at least some of the domains where action was needed following the first site visit, particularly in terms of Elder/knowledge keeper involvement and the incorporation and culture and language into the programs.

7.4.4 Parent Feedback on Child Care Quality

Parents at the family focus groups spoke very highly of the AHS child care programs and educators:

> The staff are educated; they have their [ECE Certification]. The staff care for the children as if [they are] their own.

> The staff at this facility are amazing! They are close with all of the children and know all the parents and children by name and are knowledgeable and professional. I couldn't ask for a safer secure and clean place for my child to learn and be protected by safe staff members."

> I am very grateful for the staff, day care teachers and commend them on wanting to learn and all their effort in taking care of my daughter.

> I love coming to pick up [my child] and see the staff. Such a positive energy!

7.5 Lessons Learned from AHS Child Care Programs

The philosophy of AHS child care programs is different from mainstream programs. AHS programs have six core components: culture and language, education and school readiness, health promotion, nutrition, parent and family involvement, and social support. AHS programs are intended to support the entire family and are referred to as family wellness programs. Positive impacts reported by families at AHS child care centres provide support for the expansion of AHS so that more Indigenous families can access AHS child care or preschool programs for their children.

Families at AHS child care centres were more likely than Indigenous families from the PTSs to agree that the child care program helped to connect their child to their cultural, traditions, and language. Families at AHS centres were also more likely to report improved well-being and family quality of life as a result of having access to child care compared to Indigenous families at PTSs. Indigenous families may find that their children and their families experience more positive outcomes from enrolling at an AHS child care program compared to a mainstream child care program, particularly those families with a desire to learn about and connect with their culture, language, and traditions. Mainstream child care programs that wish to better serve Indigenous communities and families, or programs that offer care to a large number of Indigenous children and families, may wish to collaborate with local Indigenous communities and/or organizations to add a cultural component to their programs. Additionally, mainstream child care programs may consider adopting the AHS model of providing family supports and wrap-around services to transition their child care programs to family wellness programs.

Mainstream child care programs may also benefit from having access to a quality monitoring tool, like the LOVIT Way PEP. This tool encourages reflective practice and brings the community together (e.g., child care operators, educators, families, and community members) to evaluate the child care program and develop a program that meets the needs of the families and the community. PTS ED/Site Supervisors noted that reflective practice is something they wished to engage in, but they did not have a tool to help them with this kind of evaluation. StrongStart B.C. has developed a quality monitoring tool that relies on reflective practice;[55] it may be possible to develop a similar tool for early childhood education programs in B.C.

Summary of Findings - AHS Sites

Families at AHS sites reported positive impacts that they attributed to having their children enrolled in an AHS child care program. Families at AHS sites were more likely than Indigenous families at PTSs to report that the child care program helped to connect their children to the community, and to their culture, traditions, and language. AHS parents were also more likely to report positive impacts to their well-being and quality of life compared to Indigenous parents at PTSs.

Overall, parents were satisfied with the quality of child care provided at the AHS sites and modest improvements in child care quality were observed from Site Visit 1 to Site Visit 3. Use of the LOVIT Way PEP at these centres helped the AHS program ED/Site Supervisors, educators, and the community to develop comprehensive action plans to work towards their goals of strengthening the quality of their programs.

SECTION 8: FINDINGS - INCLUSION PILOT PROJECT

This section summarizes findings related to the *Inclusion Pilot Project*. Data sources include:

- Inclusion Pilot Quarterly Report data;
- PTS ED/Site Supervisor interview [Site Visits 1 (2019), 2 (2019), and 3 (2020)];
- Interviews with MCFD representatives;
- Interviews with Supported Child Development/Aboriginal Support Child Development representatives; and
- Inclusion Model family focus groups [Site Visit 3 (2020)].

8.1 Inclusion Pilot Model Background

The intention of the *Inclusion Pilot Project* was to learn more about the strengths and challenges of different funding models within different child care settings. MCFD was interested in exploring funding models that would build capacity within child care centres to provide inclusive child care. This included understanding how each site used funding to purchase inclusive resources/equipment and professional development opportunities. The Ministry implemented two Inclusion Pilot Models:

1. Inclusion Coordinator Model (n = 10): Funding provided to hire an Inclusion Coordinator who would support and enhance inclusion in programs; and
2. Inclusion Support Model (n = 3): A set amount of funding provided per child with support needs.

The Inclusion Pilot Models were implemented between December 2018 and May 2019 and ended on March 31, 2020. Upon conclusion of the Pilot, participating sites transitioned back to their pre-pilot supports (e.g., ASCD/SCD) and have continued to apply what they learned during their time as Inclusion Pilot Model PTSs.

8.2 Strengths and Limitations of the Inclusion Pilot Models

Prototype Site ED/Site Supervisors were asked to provide feedback on the Inclusion Pilot Models and they provided responses about the strengths and limitations of the Inclusion Coordinator Model and Inclusion Support Model. Interviews with SCD/ASCD staff and Ministry representatives also provided insight into the strengths and limitations of the models. This feedback converged with feedback received from ED/Site Supervisors.

8.2.1 Inclusion Coordinator Model - Strengths

The main strength of the Inclusion Coordinator Model was its ability to provide support for the centre and program as a whole. The Inclusion Coordinator had the ability to focus primarily on incorporating inclusion into curriculum development, program planning, and activities. Inclusion Coordinators also put forward recommendations towards physical space set up to make the program environment more inclusive, which included sensory, fidget and calming activities and materials, along with balance beams and strider bikes.

Interviewees saw the benefit of the Inclusion Coordinator being part of the team rather than an outside agency; thus, another significant benefit of this model was the responsiveness and timeliness of support once needs were identified. Further, implementation of the Inclusion Coordinator Model meant that educators at the PTSs also benefited from in-house training and mentoring and on-the-job support. Having a full-time presence and focus on inclusion assisted sites in identifying more children with support needs

and supporting educators with conversations with families pertaining to their child's behaviours and/or development. In turn, families reported that the model made them feel more confident and assured that their children have been receiving all the support they require.

> The trust that the parents have in the skills and support of the Inclusion Coordinator has allowed them to begin to actively engage in designing ongoing enhanced support opportunities for their child.

The provision of funding for professional development related to inclusion as part of the Inclusion Coordinator Model was also highly valued by ED/Site Supervisors. Specifically, educators enhanced their knowledge through workshops and intervention training including the following:

- Early Learning Framework training;
- Enhanced ratio mentoring and active reflection;
- Schema theory;
- Trauma-informed practice;
- Gender diversity;
- Autism intervention;
- Mental health training;
- Non-violent crisis intervention;
- Teaching about personal space;
- Sensory integration; and
- Emergency childhood first aid training.

Some Inclusion Coordinators attended additional training sessions such as the Boundaries Program, Exploring the Revised B.C. Early Learning Framework, and Tools for Managing Stress and Burnout and subsequently relayed this knowledge to all centre staff.

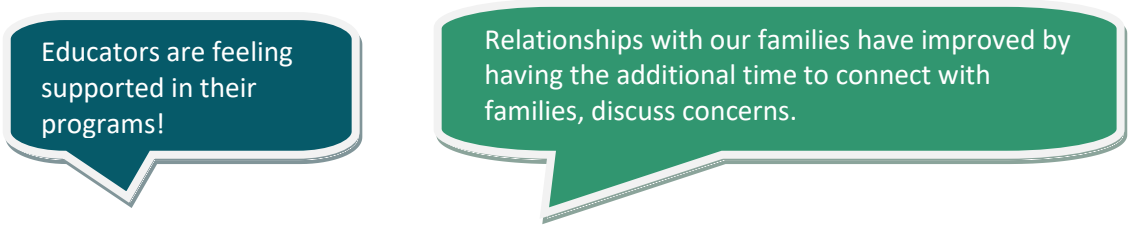
8.2.2 Inclusion Coordinator Model - Limitations

ED/Site Supervisors and MCFD representatives indicated the main challenge with the Inclusion Coordinator Model was staff recruitment to fill the position. Recruitment difficulty was thought to be in part due to the staffing/ECE shortages seen across the industry and the specialization of the position; the existing workforce appears to be lacking adequate skills and/or expertise in inclusive child care. The challenges were intensified because the Inclusion Coordinator position was a short-term contract position. Consequently, many Inclusion Coordinator positions were filled by educators already working at the PTS. General ECE recruitment and retention was also viewed as a challenge, which led to staff shortages, recruitment of less qualified educators, and a lack of ECEs with a special-needs certification.

Other than recruitment, there were only a few concerns raised about the Inclusion Coordinator Model. A few EDs found themselves taking time to support the Inclusion Coordinator in developing ideas for inclusion, which they described as "daunting" and having to "reinvent the wheel" in some respects. While potentially daunting, this task was necessary so that supports could be tailored based the on current needs

of the children in the centre. Another concern was that when children did require one-on-one support, the time the Inclusion Coordinator could spend fulfilling their other role requirements was reduced.

The conclusion of the Pilot left parents, educators, and Inclusion Coordinators with some concerns. Parents felt uncertain about the support their children would receive post-Pilot. Educators were worried that support, information, guidance, support materials and resources would no longer be available to the same extent from SCD/ASCD and/or that wait times for support from these agencies might be long. However, despite such limitations, ED/Site Supervisors thought the model was having a positive impact and was seen to enrich the entire program.



8.2.3 Inclusion Support Model - Strengths

The main strength of the Inclusion Support Model reported by ED/Site Supervisors was the simplicity of the process. The required forms were simple to complete and the centres were able to access funding directly. The broader definition of who could access support meant that the process was not necessarily diagnosis-driven. Another positive outcome was the enhanced collaboration between educators, service providers, and parents/caregivers. The Inclusion Support Model tended to strengthened relationships between educators and parents because they had to work collaboratively to identify and implement supports for their children. Educators developed relationships with service providers because they were in direct contact with them, whereas prior to becoming an Inclusion Support PTS the SCD/ASCD consultant would typically have been in contact with external support agencies.

Funding allowed educators to expand their knowledge through formal training and workshops. Professional development training included CALM Curriculum training, the Kids have Stress Too! workshop, Truth and Reconciliation training, and PACE Program training. Furthermore, centres had the opportunity to expand their learning materials and supplies such as books, toys and puzzles, fine motor materials, weighted vests and blankets, and sensory regulation materials. Shelving and storage containers were also purchased to improve the organization of supplies. The combination of simplicity, professional development opportunities, the extension of learning materials, and collaboration allowed centres to establish an enhanced inclusive environment.

8.2.4 Inclusion Support Model - Limitations

Similar to the Inclusion Coordinator Model, the main challenge of the Inclusion Support Model was recruitment. In relation to recruitment, another barrier was ECEs' limited education; thus, some centres were unable to hire ECE-certified staff with special-needs certification and/or educators did not have the necessary skill set to equip them for the volume of trauma-based and mental health challenges some children in the program were coping with. Lastly, a concern was raised around the site's ability to access resources such as locating affordable quality toys, objects, and materials; it was noted that these resources are quite costly, even with additional funding provided through the *Inclusion Pilot Project*, and often needed to be ordered online. EDs and Ministry representatives expressed some concern about the lack of an

available subject matter expert (i.e., child psychologist, behaviour therapist, other experts in the field of inclusive childcare and/or child development). The addition of an expert on the Ministry team that inclusion sites could consult with when they did not have the in-house knowledge or resources needed to support a child would have more easily allowed the PTSs to build internal capacity to provide an inclusive child care environment.

8.2.5 General Limitations of the Inclusion Pilot Models

In addition to staffing—which was a pertinent concern for the implementation of both Pilot Models—a number of centres express a need for continued support from SCD/ASCD alongside the Inclusion Pilot Models, particularly for children with more complex support needs. Some ED/Site Supervisors also talked about missing their relationship with SCD/ASCD and the services they offered, particularly professional development, access to resources, and input from an external source of expertise.

While it was never the intention for either Inclusion Pilot Model to replace SCD/ASCD, some ED/Site Supervisors were concerned that the Pilot had negatively impacted their relationship with SCD/ASCD services. SCD/ASCD consultants reported feeling undermined and fearful of losing their jobs. There was also concern from interviewees that the Inclusion Pilot Models could take away from SCD funding or make the program appear obsolete. Interviewees wanted it to be clear that there are many services that SCD/ASCD provides to centres and the communities that are often not recognized. One interviewee said, “There’s a lot that SCD coordinates that goes unseen, and those types of preventative services are going to return tenfold in the community.” The Inclusion Pilot Models were never intended to extend beyond the Pilot period but there appears to have been miscommunication with SCD/ASCD providers regarding the temporary, short-term nature of the Pilot. The Ministry provided SCD/ASCD with a FAQ document explaining the intention and short-term nature of the Pilot but it appears that this information was not always shared with all SCD/ASCD representatives.

8.3 Parent Feedback on Inclusion Model Pilot and Inclusive Child Care

Unique to Site Visit 3 were inclusion-specific focus groups with parents of children with support needs. Malatest conducted inclusion-specific focus groups at three of the Inclusion Model Pilot sites. Two additional focus groups were conducted online: one focus group with parents from Inclusion Model Pilot sites that did not have an in-person inclusion-specific focus group and one with parents of children with support needs that were enrolled at regular PTSs. The purpose of these focus groups was to understand how inclusion models (both SCD/ASCD and the PTS Inclusion Pilot Models) were working from the families’ perspective. Focus group participants were asked to discuss any difficulties around finding a centre that could accommodate/support their children, supports their children were currently receiving and/or further required for their child to be successful, differences in support for those parents who received services from SCD/ASCD, and strengths and limitations of the Inclusion Pilot Models.

8.3.1 Parent Feedback from Inclusion-specific Focus Groups on Barriers to Child Care Accommodation and Support

Some parents with children who required support indicated that they faced difficulties when working through the process to obtain child care. In a few instances, parents placed their children in multiple centres before acquiring a spot at their current centre. Support was also difficult to acquire, in some cases, because parents felt educators were unable to provide support specific to their children’s needs and

children were not able to attend a child care program where their support worker could not always be with them (e.g., if the support worker was sick the child could not attend the program that day).

8.3.2 Parent Feedback from Inclusion-specific Focus Groups on Comparisons between SCD/ASCD and the Inclusion Pilot Models

A few parents noted they did not experience any differences moving from SCD/ASCD services to the Inclusion Pilot Model; this was the goal when the Pilot Models were implemented. The majority of participants indicated the quality of the child care centre improved through the implementation of the Inclusion Pilot Model. The main improvement was the increased number of educators, which provided more opportunities for one-on-one support, allowed for the ability to obtain an appropriate fit between child and educator, and meant that centres were able to identify support needs early. Moreover, employing an Inclusion Coordinator meant someone was onsite daily to observe those children requiring support (as opposed to less frequently, such as monthly), and parents appreciated receiving frequent updates about their children's progress.

8.3.3 Parent Feedback from Inclusion-specific Focus Groups on the Strengths of the Inclusion Pilot Models

Parents spoke positively about the support they and their children received as a result of the Inclusion Pilot Models. Benefits for parents included coordination with the centre and therapists, including assessments by speech and occupational therapists and the completion of sensory audits. As a result, parents gained a better sense of the challenges their children were facing and how to address them. Parents acknowledged two methods they used to foster their children's growth: first, some parents implemented tips and techniques at home that were provided by educators and, second, journals were developed to enable parents, educators, and therapists the ability to track a child's progress in a holistic fashion. Documentation went beyond individual behaviours; educators also made note of a child's interactions with other children.

> I just think it's really amazing to have that additional support when you have such a young child who is changing so quickly, with people that are experienced and really know what to look for…I can't imagine if we hadn't had that.

Benefits were present for children with support needs, as well; daily routines, potty training, and inclusive interactions with other children are just a few examples. Improvements to centres also strengthened the quality of care for children; for example, safe spaces (e.g., a quiet room) were developed, allowing children to decompress and not be over-stimulated. Moreover, new toys and learning aids were purchased.

> I think the biggest thing has been the sense of continuity, where there's been one person … to oversee and mentor other staff.

> …to have people that were just so in tune and trying to help us from the get go really is just incredible.

8.3.4 Parent Feedback from Inclusion-specific Focus Groups on Limitations of the *Inclusion Pilot Project Models*

Similar to the limitations expressed by ED/Site Supervisors and MCFD representatives, focus group participants identified the need to increase the number of educators in centres, along with the issue surrounding educators' limited education. Further, in relation to staffing, parents expressed concern about staff turnover. The welfare of children post-Pilot also worried some parents, who expressed specific concerns such as the disruption of services from an occupational therapist, the possibility that early intervention may be compromised, and a general increase in stress since an Inclusion Coordinator would not be available to help parents navigate challenges.

8.4 Suggestions for Future Approaches to Inclusion of Children with Support Needs

ED/Site Supervisors, SCD/ASCD representatives, and parents who attended the inclusion-specific focus groups gave their suggestions for future approaches to providing inclusive child care services. Two main recommendations were voiced:

1. Increase funding to support the existing SCD/ASCD model: Some respondents felt that, with adequate funding, the current SCD/ASCD model could effectively provide supports for child with additional needs; and
2. Build capacity within child care centres and programs to provide inclusive child care without such a strong reliance on external support services/agencies.

Some respondents felt that children with support needs would be best supported if child care programs had greater internal capacity; for example, having access to ECEs with special needs training and inclusion training and expertise. Respondents who felt that building internal capacity was the best approach to fostering inclusive child care environments saw the value in the services provided by SCD/ASCD but also noted limitations such as inadequate funding and resources. Child care programs with the capacity to provide inclusive child care without such a strong reliance on external agencies like SCD/ASCD would potentially allow these agencies to direct their resources to assist in cases where children have complex needs that are beyond what the child care centre/program is able to navigate. An important step in building capacity within child care centres is standardizing and increasing ECE education requirements. Currently there is a strong reliance on the knowledge and expertise of SCD/ASCD consultants to provide guidance in terms of the basics of creating an inclusive environment. In some cases, SCD/ASCD consultants even spend time coaching child care staff and further developing the educator's basic ECE skills. A better use of experts, like SCD/ASCD consultants, would be to support the development of care plans for children with complex needs, rather than coaching educators; this problem could be solved by standardizing and increasing ECE education requirements related to inclusive child care. Additionally, respondents felt that there needs to be opportunities for child care providers to talk with each other and with external agencies and/or experts to be able to learn, reflect, and implement inclusive practices into their programs.

Many interviewees felt that there needs to be a collaborative approach to re-designing inclusive child care practices. There is a wealth of knowledge in B.C., including many experts in child development and inclusive child care that need to be brought together collaboratively to establish a consistent approach to providing inclusive child care across the province. It was thought to be crucial to get input from the people on the ground and directly involved, such as SCD/ASCD agencies, service providers, child care operators and ECEs. A common trend across the interviews with ASCD/SCD consultants was that consultants felt the Inclusion Pilot Models resembled ways that the Province has previously provided support. Including the people who

originally designed the SCD program in the re-design of inclusive child care may prevent trialling components that have already been implemented and subsequently discontinued.

Despite parents' positive feedback towards the Inclusion Pilot Models, inclusion-specific focus group participants stressed the necessity for parents to advocate for their children to ensure they receive the required support. One parent said, "The lack of advocacy may lead to some children not receiving support. You can't ever let up!" Building capacity within child care programs to support children with support needs would help to shift some of the responsibility of advocating for services and finding services for their children from parents to the child care centre.

Summary of Findings Related to the Inclusion Pilot Project

PTS ED/Site Supervisors, SCD/ASCD consultants, MCFD representatives, and parents of children with support needs provided feedback regarding the strengths and limitations of the *Inclusion Pilot Project*. In general, a strength of the Pilot Models was that ECEs gained knowledge and expertise and were better equipped to support children with support needs. The Pilot Models also allowed for better communication between parents and educators. Parents felt that with direct access to the educator(s) implementing supports for their child they were better informed. A limitation to both models was the ability to find ECEs with special-needs certification and expertise on inclusive child care.

<u>Inclusion Coordinator Model Strengths:</u>

- Inclusion Coordinators built capacity within the centres to provide inclusive child care by developing or modifying child care curriculum, program planning, and activities.
- Responsiveness and timeliness of support when needs were identified.
- Educators benefited from in-house training, mentoring, and other forms of professional development.

<u>Inclusion Coordinator Model Limitations:</u>

- Difficulty recruiting Inclusion Coordinators with appropriate skills and knowledge.
- Some Inclusion Coordinators were required to provide children with one-on-one support, which limited their ability to focus on making the child care program and environment inclusive.
- Educators were required to support the Inclusion Coordinator in developing ideas, which educators found difficult at times because they lacked the training and knowledge needed.

<u>Inclusion Support Model Strengths:</u>

- EDs/Site Supervisors found the application process to be simple.
- Educators were able to engage in professional development opportunities.

Summary of Findings Related to the Inclusion Pilot Project (Cont'd)

Inclusion Support Model Limitations:

- PTS educators did not have the required skill set to equip them for the volume of trauma-based and mental health challenges some children were coping with.
- Centres found it difficult to access resources (e.g., locating affordable, quality toys) that were quite costly and only available for purchase online in some cases.
- EDs/Site Supervisors expressed concern pertaining to the lack of available subject matter expertise.

SECTION 9: FINDINGS - PERFORMANCE (ECONOMY AND EFFICIENCY) AND SUSTAINABILITY

This section presents a summary of findings related to economy, efficiency, and sustainability of the current PTS model. Data reported in this section is largely based on the PTS monthly reports; all calculations are only as accurate as the data reported. PTSs provided monthly operating cost data on their monthly reports to help the Province better understand the cost of delivering child care and to inform the eventual transition to a universal child care system. Presented at the end of this section is a discussion of possible models that could be used to fund universal child care in B.C. Data sources included the following:

- PTS ED/Site Supervisor interview (Site Visits 1, 2, and 3);
- Administrative data; and
- Interviews with Ministry representatives.

9.1 Performance (Economy and Efficiency): PTS Operating Costs

The structure of the PTS initiative encouraged child care centres to participate because there was little to no financial risk to them, but it did not necessarily encourage efficiency. PTSs were not required or asked to make any changes to their current operations. PTSs were funded on a cost-plus basis, which was based on operating costs reported for the previous year plus an additional 5% for administration and a one-time quality improvement (QI) grant ($1,100 per child). The PTSs were not subjected to financial penalties for unused capacity in terms of enrolment unless capacity remained reduced for three or more consecutive months (see Section 6.1.2 for a discussion on utilization and attendance at the PTSs).

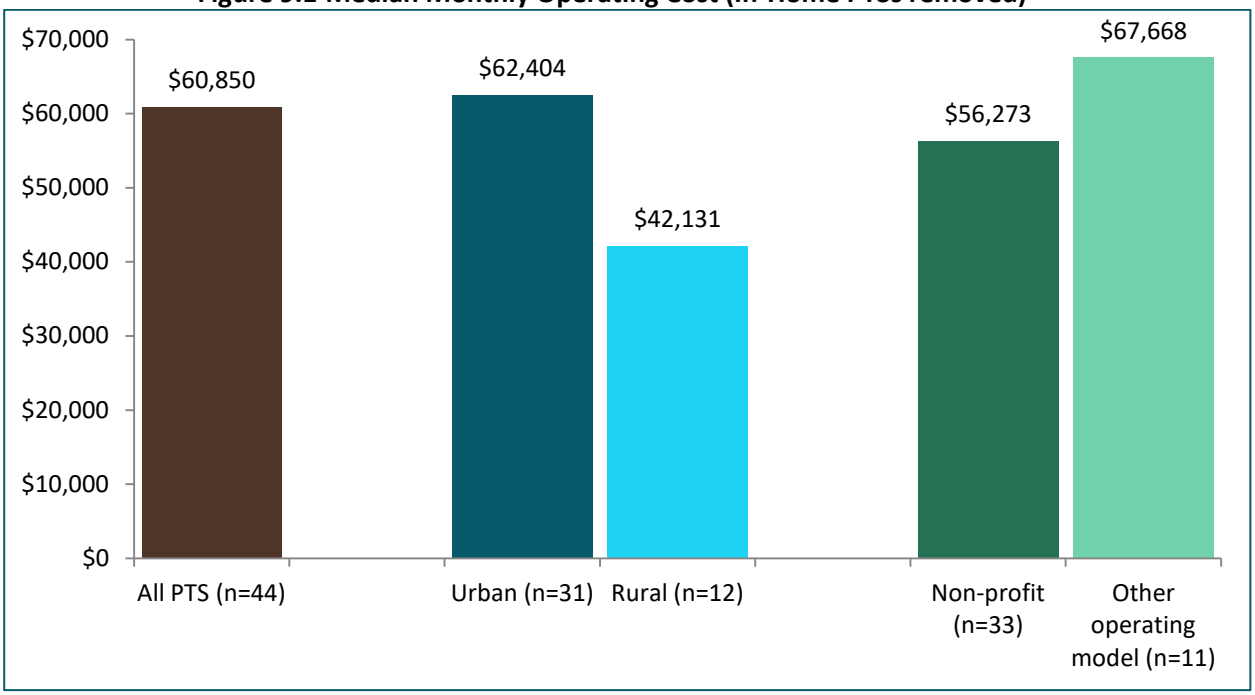
9.2 PTS Monthly Operating Cost

Malatest examined PTS monthly report data from November 2018 to February 2020 to determine the cost of delivering child care at the PTSs. The median monthly expenditure for all PTSs was $55,945. Excluding In-Home PTSs, the median monthly expenditure was $60,850.

In-Home PTSs operating costs were substantially lower than centre-based PTSs, largely due to the small number of children at in-home PSTs. In addition to differences in operating costs due to the number of children, In-Home sites were deemed different from centre-based sites because the nature of child care provided at in-home sites compared to centre-based sites is inherently different.

PTSs that were located in urban environments and/or operated under models other than non-profit (e.g., private) reported higher median monthly operating costs compared to sites operating in urban environments and/or under a non-profit model (see **Error! Reference source not found.**).

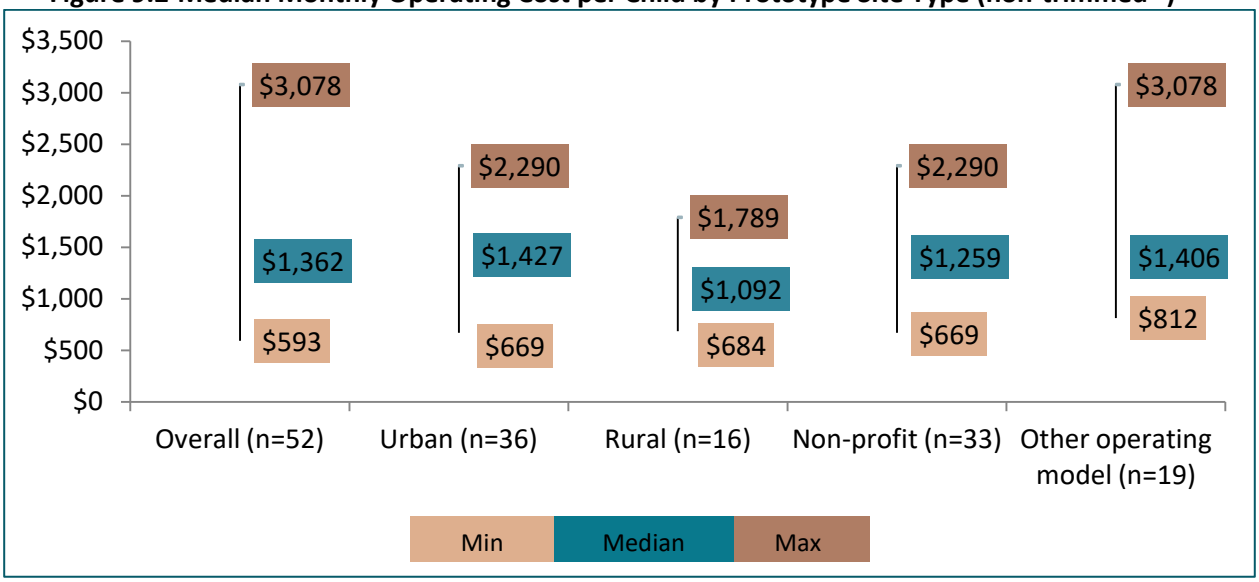
Figure 9.1 Median Monthly Operating Cost (In-Home PTSs removed)



Source: Nov. 2018 to Feb. 2020 PTS Monthly Reports (QI grant removed).
Note: In-Home PTSs (n=9) have been removed from these calculations.

When PTS monthly operating costs were examined between November 2018 and March 2020, the median cost per child per month was $1,326. PTSs that were operating under models other than non-profit or were in urban areas reported higher costs compared to PTSs operating under a non-profit model or in a rural area (see Figure 9.2). As highlighted in the figure, these other sites also had the largest variance in terms of operating costs per child, as some sites provided services to only very young (zero to two years of age) children, while other sites in this group provided services to children of all age ranges (zero to 12 years of age).

Figure 9.2 Median Monthly Operating Cost per Child by Prototype Site Type (non-trimmed[56])

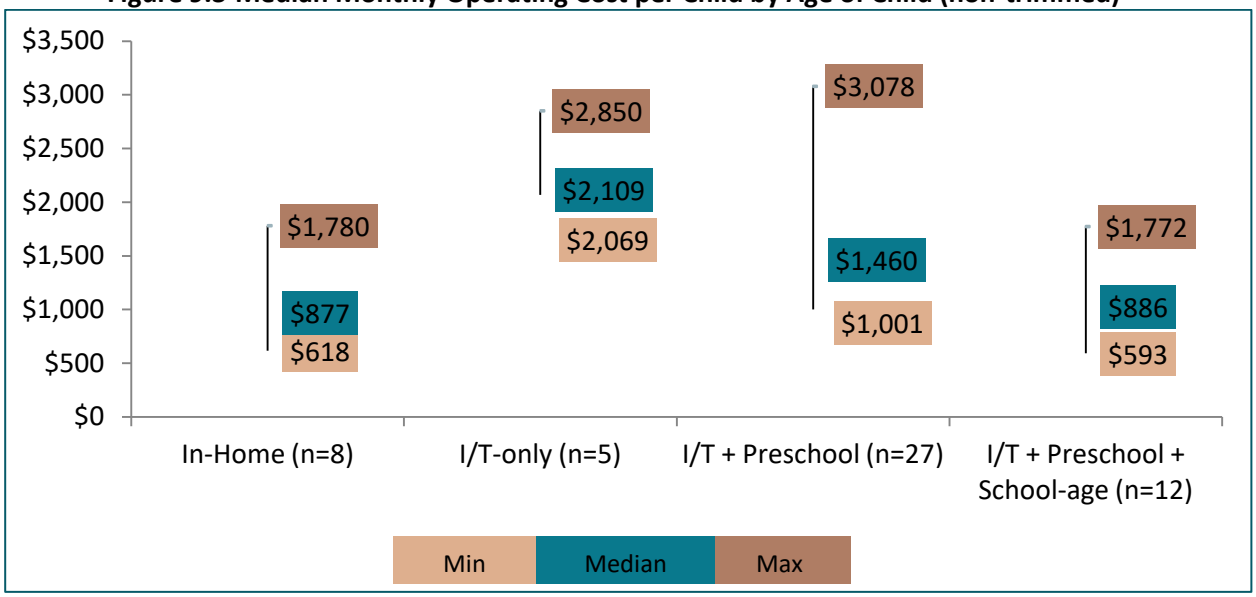


Source: Nov. 2018 to Feb. 2020 PTS Monthly Reports (QI Grant removed).
Note: One PTS has been removed from these calculations because it was identified as an outlier due to extremely high compensation and operating costs.

Using monthly operating costs, Malatest calculated a per-child cost for each PTS. Differences in costs per child were observed based on that age of children that attend the centre. In-Home PTSs usually had a mix of children with more unique operating costs, so the cost per child for these PTSs was calculated separately from centre-based child care facilities. Centre-based child care facilities were split based on whether they provided child care to only Infants and Toddlers (I/T-only); to Infants and Toddlers as well as three- to five-year-olds (preschool-aged children); or to Infants and Toddlers, preschool-aged children, and school-aged children. In-Home PTSs tended to have the lowest cost per child, followed by centres that provided care to all age groups. Not surprisingly, centres that provided care only to infants and toddlers reported the highest per-child costs (see Figure 9.3) because they required the highest number of educators to children in their care (1:4 ratio), with salaries being the largest expense for all child care sites.

[56] Non-trimmed means that all PTS (except one outlier that was identified and removed) were included in calculations of medians and ranges. Later in this section of the report a trimmed median is reported. To calculate a trimmed median the highest and lowest costs sites were removed from the analysis.

Figure 9.3 Median Monthly Operating Cost per Child by Age of Child (non-trimmed)



Source: Nov. 2018 to Feb. 2020 PTS Monthly Reports (Q.I grant removed).
Note: One PTS has been removed from these calculations because it was identified as an outlier due to extremely high compensation and operating costs.

For all PTSs, the major expense was compensation, specifically salaries/wages. ECE and child care centre staff wages and salaries accounted for 62% of all monthly operating costs and, when benefits were considered, staff compensation accounted for 77% of all monthly operating costs. There were few differences in the proportion of expenses by major cost category across the various types of PTS (see 0). One notable difference is that non-profit PTSs tended to spend a substantially smaller portion of their funds on rent and facility expenses compared to other PTSs. Non-profit PTSs were more likely to report paying no (or very little) rent compared to other PTSs.

Table 9.1 Proportion of Expenses by Major Cost Category

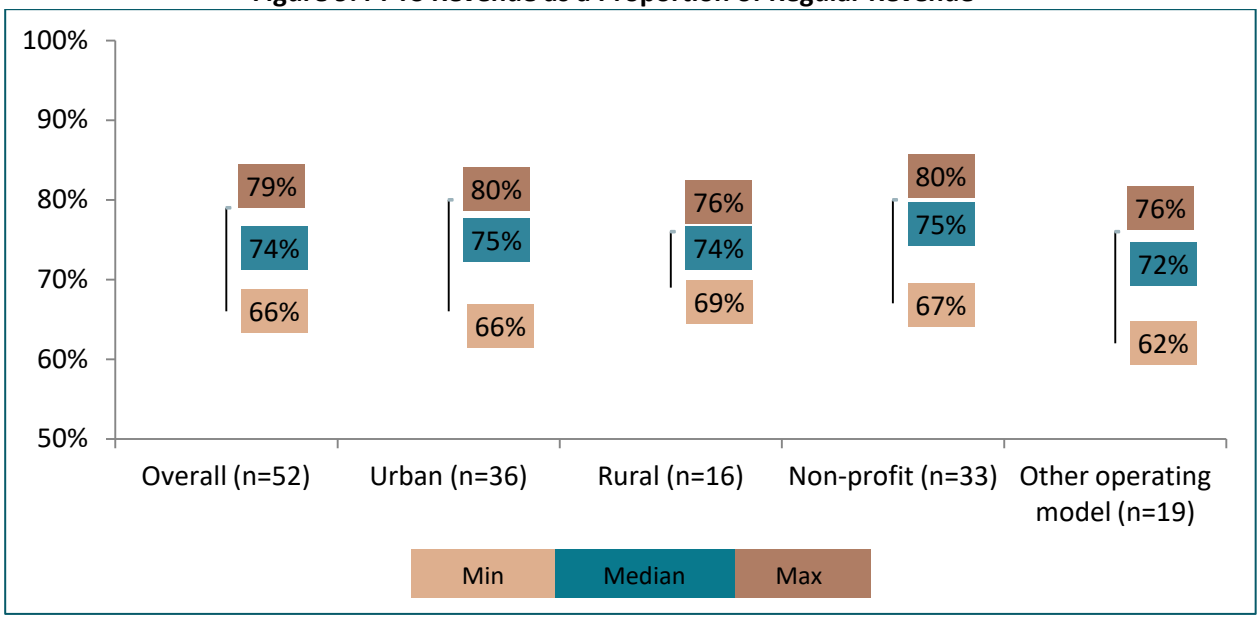
		Cost Category			
		Facility (Rent / Mortgage + maintenance)	Compensation		Program (Admin, food insurance, etc.)
			Wages + benefits	Wages only	
	Overall	8%	77%	62%	15%
Location	Urban	8%	74%	61%	16%
	Rural	9%	73%	67%	12%
Operating Model	Non-profit	6%	74%	63%	14%
	Other	14%	71%	59%	11%
Proportion of Infant/Toddlers	In-Home	9%	79%	65%	9%
	IT-only	8%	79%	64%	15%
	IT + Preschool	9%	74%	58%	19%
	IT + Preschool + School-aged	8%	80%	65%	12%

Source: Nov. 2018 to Feb. 2020 PTS Monthly Reports (QI grant removed).

9.3 Prototype Sites' Revenue and Surplus

An average of 74% of all revenue reported by PTSs was accounted for by MCFD PTS funding (see Figure 9.4). The additional 26% of revenue reported by PTSs came largely from parents' fees and other grants or fundraising that the child care centre received.

Figure 9.4 PTS Revenue as a Proportion of Regular Revenue



Source: Nov. 2018 to Feb. 2020 PTS Monthly Reports (Q.I Grant removed).

Overall, based on the expense and revenue information from the monthly reports,[57] PTSs averaged 2% profit or surplus at the end of February 2020 (see Table 9.2). Twenty-five PTSs were in a deficit and 28 reported a profit/surplus. Only seven PTSs reported a loss greater than 15% and 12 PTSs reported a surplus greater than 15%, which indicates that 34 PTSs (64%) received an appropriate amount of funding to cover their monthly expenses.

Table 9.2 PTS Overall Profit/Surplus and Loss

		Reported Revenue	Reported Expenses	Profit or Loss (%)
	Overall (n = 53)	$47,788,635	$46,965,650	$822,714 (2.0%)
Location	Urban (n = 36)	$38,156,059	$37,545,588	$610,471 (2.0%)
	Rural (n = 17)	$9,632,305	$9,420,062	$212,242 (2.0%)
Operating Model	Non-profit (n = 33)	$33,306,131	$33,421,318	-$115,188 (-0.3%)
	Other (n = 20)	$14,482,234	$13,544,332	$937,901 9 (7%)

Source: Nov. 2018 to Feb. 2020 PTS Monthly Reports (QI grant included).

[57] It should be noted that profit was not derived from audited financial statements; it was calculated from expense and revenue information reported on the Monthly Reports. These calculations are only as accurate as the data reported.

9.4 Social Return on Investment (SROI) Analysis

Social Return on Investment (SROI) analysis[58] attempts to provide a more holistic view of the benefits of programs and policy interventions than is typically captured in accounting and cost-benefit analyses. SROI analysis broadens the lens when accounting for benefit in two main ways:

1. SROI analysis incorporates a greater number of stakeholders when considering what, and how much, benefit is achieved from a social program. Rather than considering only the cost savings or benefits experienced by a government, SROI analysis aims to capture the benefits experienced by program users and their communities.
2. SROI analysis considers the value of a broader range of benefits, to include those that are not easily monetized. For example, an SROI analysis may ask program users what changes to their quality of life have been achieved as a result of the program.

Although SROI analysis does make efforts to account for the possibility of intangible benefits that arise from use of a program, the approach does borrow from more traditional cost-benefit analyses by valuing and analyzing these benefits in terms of assigning a monetary value to such benefits. There are a number of methods for valuing an intangible benefit and applying a dollar value to it, such as examining what it would cost to achieve a similar change through other means (e.g., a free drop-in recreation program may be valued by looking at what similar paid programs charge for the same services), or by asking program users to value the changes they have experienced themselves (e.g., asking them how much they would pay to access such a program, if they had the funds to do so). The specific approaches that Malatest used for this particular SROI analysis are explained in Section 9.4.2 below.

9.4.1 Purpose of SROI Analysis for the *BC Childcare BC Universal Prototype Site* Initiative

An SROI analysis offers particular benefit to the *Childcare BC Universal Prototype Site* initiative, as it was anticipated that the PTS initiative would have a range of wide-reaching impacts on families and communities. By making child care more affordable for families, as well as supporting child care operators in delivering high-quality, affordable child care, the provincial government can potentially stimulate changes to families and their communities, ranging from increased labour force participation, to changes in disposable income, to improved sustainability of child care operations. This SROI analysis attempted to account for many of these changes, in order to provide a more holistic sense of the benefits experienced by British Columbians from the PTS initiative.

9.4.2 Approach to the Childcare BC Universal Prototype Site Initiative SROI

In developing an SROI analysis, Malatest first developed a map of expected outcomes from the PTS initiative for each stakeholder group. Expected outcomes were identified based on existing literature on the impacts of universal child care, as well as the experience of other jurisdictions (such as Quebec) after introducing similar programs. These maps were then reviewed and outcomes for inclusion in the SROI analysis were narrowed down to those which could reasonably be expected to have been captured in the data and timelines available. For example, some of the following outcomes were excluded from the SROI analysis:

- Increased local economic activity, due to increased disposable income among families and therefore increased local spending. This was excluded as it cannot be assumed that families are

[58] http://www.socialvalueuk.org/app/uploads/2016/03/The%20Guide%20to%20Social%20Return%20on%20Investment%202015.pdf.

spending their increased income in their local communities; they may be using this money to reduce household debt, fund RESPs for their children, or they may be taking vacations, or they may be indeed spending locally on things like after-school programs for their children. Most likely, parents and families are engaging in a mix of these activities. However, without direct data on these activities (e.g., from a survey), we cannot make assumptions about increased local economic activity and therefore cannot use input-output models to estimate the community-level economic impact of the initiative.

- Increased school readiness and decreased need for learning interventions for children in kindergarten and the early grades. While there is considerable literature to suggest that early learning and child care experiences do provide young children with a strong foundation for entry into kindergarten and elementary school– thereby reducing the costs of later interventions and additional supports for students when they enter school– this outcome fell outside of the time period for this evaluation. With a relatively short 16-month data collection period, Malatest was not able to follow the children that participated in the initiative and identify long-term school outcomes, and therefore could not estimate the value of early learning and child care to the public school system.

As a result of this need to narrow outcomes for the SROI analysis to what data were available (both in terms of timelines and data collection methods), the findings from this SROI analysis should be considered to be *conservative* estimates of the total social benefit accrued from the *Childcare BC Universal Prototype Site* initiative. It is likely that there are a number of other outcomes from the initiative that could not be properly accounted for in this SROI analysis; a longer-term study of children and families participating in the PTS initiative may be appropriate to gather more information on the long-term impacts, and value, of these interventions to communities in B.C.

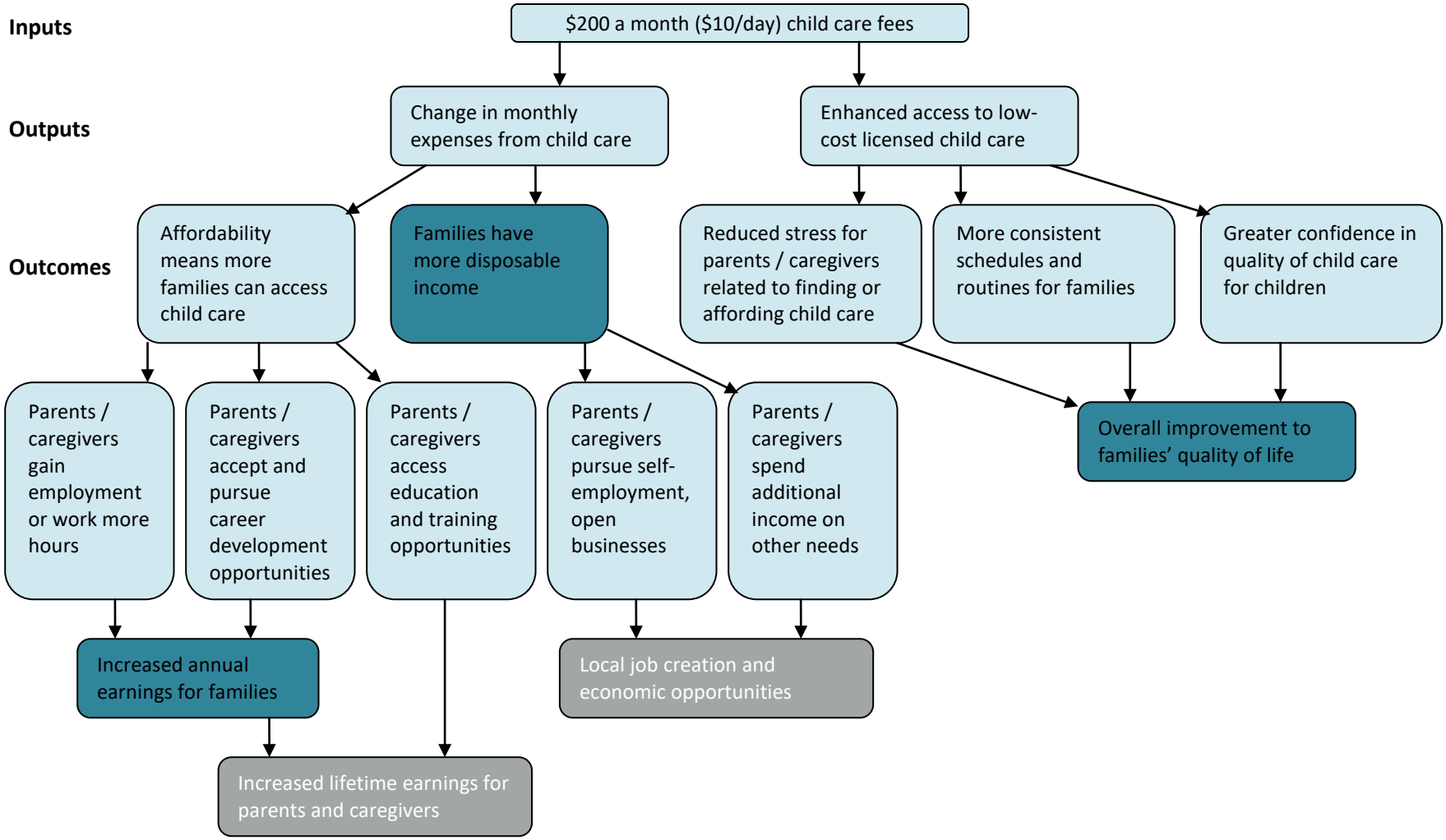
9.4.3 SROI Impact Maps

The impact maps developed by Malatest to guide the SROI analysis are provided below. Each stakeholder group anticipated to benefit from the initiative has its own map.

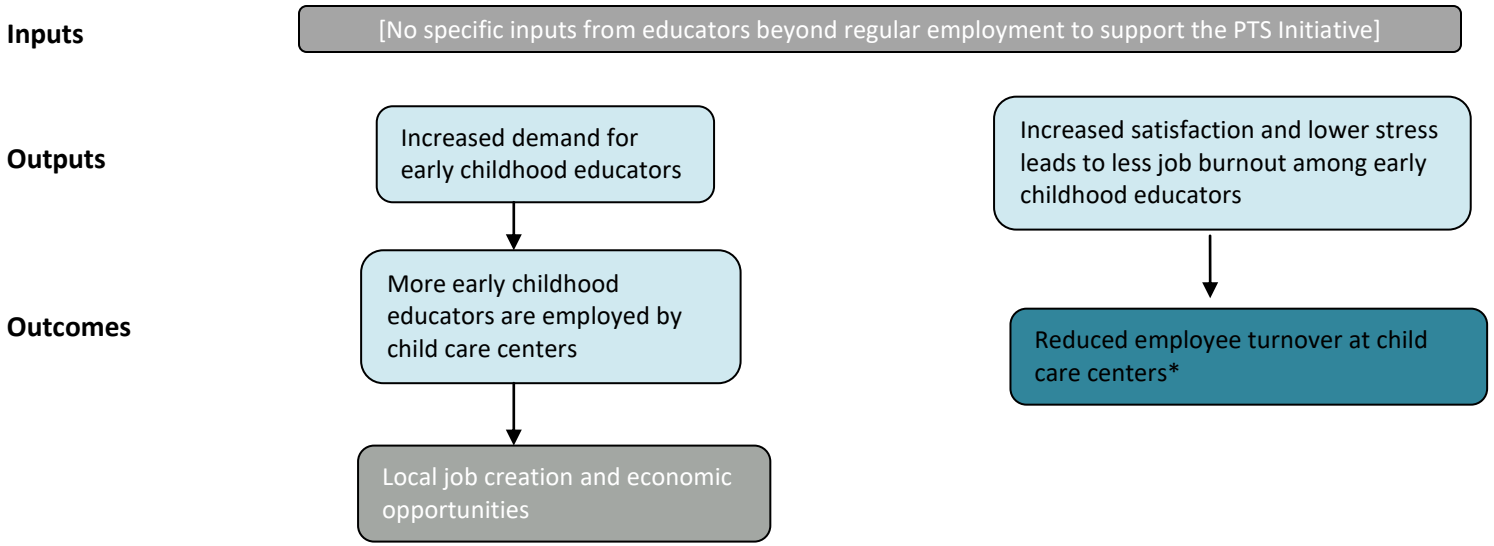
When reading each map, the following should be kept in mind:

- Boxes shaded in dark blue were included as either an input or an outcome in the final SROI analysis;
- Boxes shaded in light blue are considered relevant to the theory of change in the SROI analysis, but not counted as discrete items in the SROI analysis;
- Boxes shaded in grey are considered relevant and likely outcomes for the initiative, but outside the scope of this analysis due to timelines or data collection constraints;
- To avoid double counting the benefits accrued from the initiative, only one level in each chain of expected impacts should be counted. For example, in the Parents' and Families' impacts map, Increased annual earning for families is highlighted in green as an outcome that is measured in the SROI analysis, while Increased lifetime earning for parents and caregivers is excluded due to timelines and data availability issues. If it were the case that lifetime earnings data *were* available, however, it would be necessary to make a choice between counting impacts as *either* increased annual earnings *or* increased lifetime earnings; to count both in an SROI analysis would result in an overestimate of the impacts of a program.

Parents' and Families' Impact Map

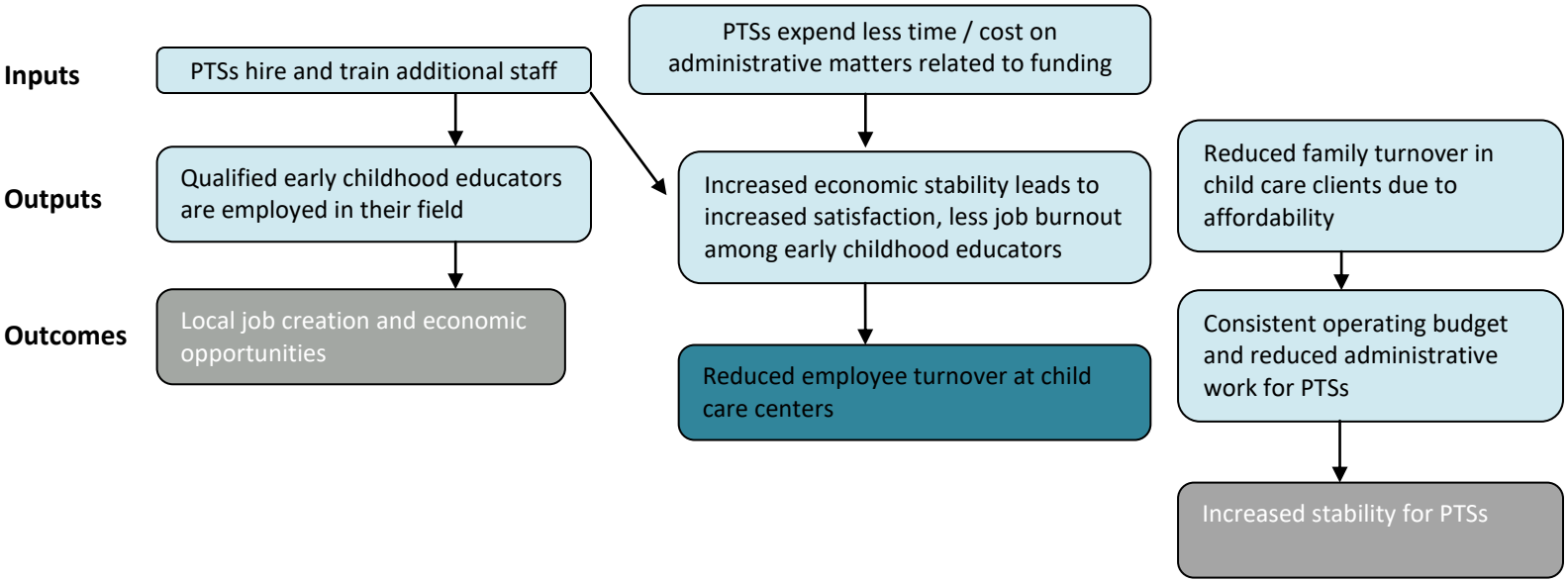


Educators' Impact Map

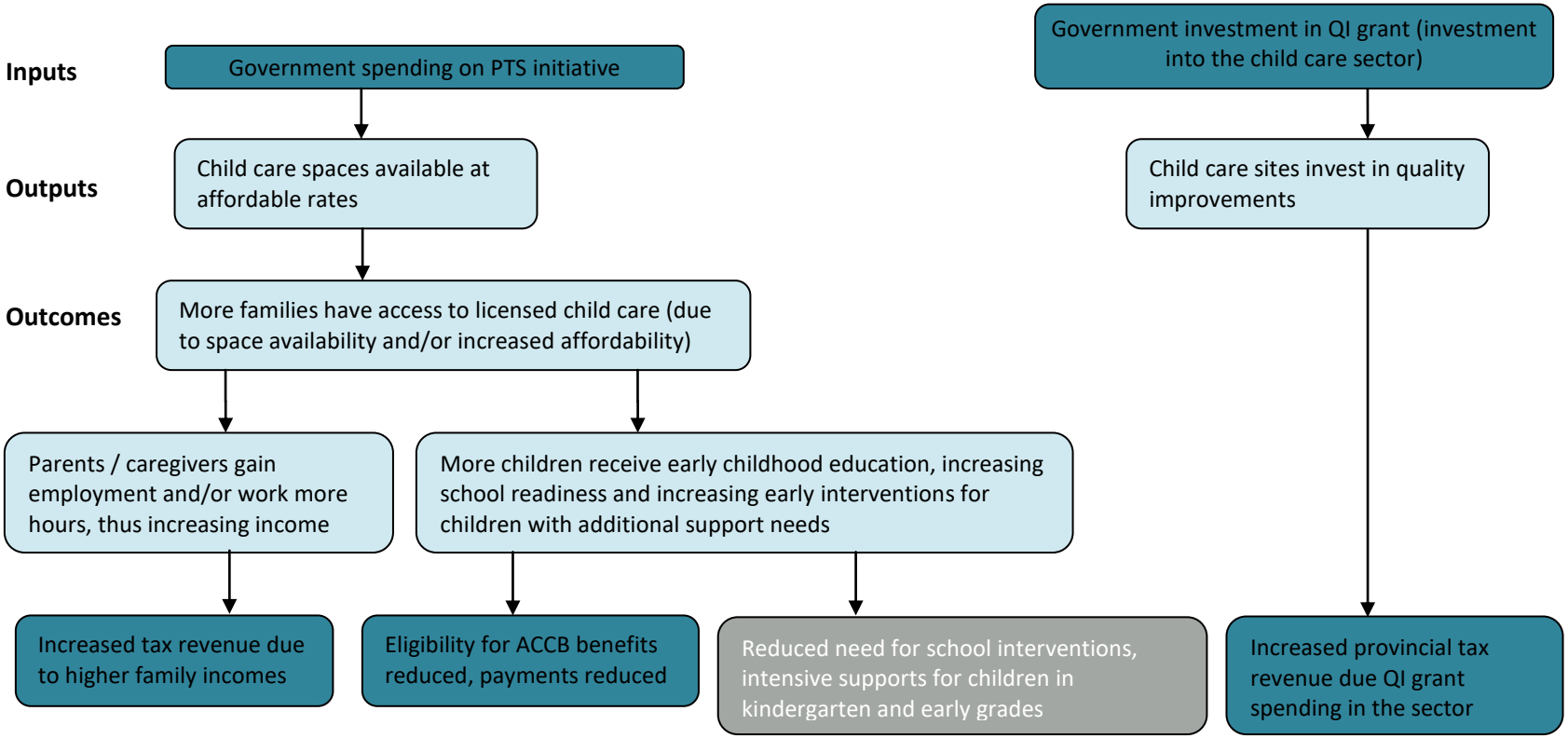


*Considered a PTS outcome, included in calculations for that stakeholder group.

Prototype Sites' Impact Map



Government Impacts Map



9.4.4 Inputs and Outcomes Measures

Table 9.3 below provides a summary of the inputs and outcomes identified as relevant for measurement and inclusion in the SROI model. The Input or Outcome Item column of this table aligns with the dark blue boxes from the impact maps presented above. In addition, outcomes identified for exclusion (grey boxes in maps above) from the SROI model are also listed in the table. This was done to highlight the rationale for exclusion and, where appropriate, make recommendations for future research. It should be noted that not every item in the impact maps is included in the table below. Due to space limitations, we have not included the map items shaded in light blue; as they are considered steps towards the ultimate outcomes for measurement, no proxies were identified for these items and they, therefore, do not require additional explanation.

Table 9.3 Input and Outcome Proxies: SROI Analysis for *Childcare BC Universal Prototype Sites* initiative

Stakeholder Group	Input or Outcome Item	Description / Details	Proxy Measure	Limitations and Caveats
Parents and Families	Outcome – Monthly disposable income	It was expected that families who were using child care before the launch of the PTS initiative would experience increased monthly disposable income, due to reduced child care fees. It should be noted that for some low-income families there would be no change in disposable income because prior to the PTS initiative they were likely receiving support through ACCB/CCFRI to reduce the cost of child care.	Analysis identified the difference between average monthly fees prior to launch of the PTSs (based on application data from sites) and the standard $200/month rate under the initiative. This savings was multiplied out by the proportion of families who reported having been using child care prior to the initiative; the decrease of $200 per month in disposable income for families who had not used child care prior to PTS launch was also multiplied by the proportion of families reporting having not used child care prior to PTS launch. These two figures were added together to identify the average monthly change in disposable income, then multiplied by the number of months the initiative lasted and the number of families served by the initiative.	Again, calculation of savings and changes in child care expenditures assumed full-time child care use. The monthly change in disposable income may not be accurate for families that use child care at a PTS only part time.

Stakeholder Group	Input or Outcome Item	Description / Details	Proxy Measure	Limitations and Caveats
Parents and Families	Outcome – Increased annual earnings for families	Based on the experiences of other jurisdictions in implementing similar programs, it was anticipated that parents and caregivers would increase their labour force participation as a result of having access to affordable child care (either return to work, or work more hours). This resulted in increased family income from employment. It should be noted that due to the limited turnover of families enrolled at the PTSs there was a modest change in terms of increased labour force attachment for most families. However, among the population of interest (those families who were new to the PTSs), there were more significant increases observed in terms of labour force attachment Overall, for the purposes of the SROI, we examined household reported income changes over the past year without, however, attributing such changes to any particular outcome (i.e., moving to full-time work, working at a higher rate of pay, starting a business, or other factors.)	The surveys conducted with families at PTSs asked whether they had experienced a change in household income, and if so by how much. Both increases and decreases in income were captured, and both types of responses were incorporated into calculation of an overall mean change in annual income among families. The overall estimated change in household income was calculated by subtracting the total decrease in household income from the total increase in household income.	The survey questions regarding amount of change in income asked for ranges, not specific numbers. Malatest used the midpoints of each range to calculate an average from responses, with the exception of the highest possible range; for this value, the lowest number within the range was used. The survey questions asked whether families had experienced a change in income over the past year. While it is likely that at least some of these changes were due to gaining access to affordable child care, there are other influencing factors that cannot be ruled out, including the potential of annual raises, promotions that had already been largely earned, or other factors. To better understand the net impact of increased access to child care on family income, a study would need to follow both families with access to affordable child care, and families without, to compare changes in income over the time period.

Stakeholder Group	Input or Outcome Item	Description / Details	Proxy Measure	Limitations and Caveats
Parents and Families	Outcome – Overall quality of life improvement	Beyond direct financial impacts on families, it was expected that access to affordable child care would have more intangible benefits to families such as reduced stress and an overall increased sense of wellbeing. Malatest captured this outcome by using a financial proxy for similar quality of life improvement.	Malatest used an approach called The Value Game to attempt to estimate the value generated in families' lives through access to affordable licensed care. Participants in focus groups were asked to identify, from a list of options, what product or service they believe would provide a comparable improvement to their quality of life that has been achieved by the initiative. A total of 397 individuals across 45 focus groups played this game; responses were valued and averaged to identify a mean value change in quality of life for families.	While Malatest did make efforts to provide a wide range of products and services, at different values, to make comparisons of value, it is inevitable that the highest and lowest options would anchor the range of options available to participants.
Parents and Families	Outcome – Increased lifetime earnings for parents and caregivers (**excluded**)	This item was excluded as the timeframe for this evaluation was too short to capture information on the long-term impacts of increased labour force participation, increased education and training, and the general pursuit of career advancement would be over one's lifetime.	Excluded from analysis.	Excluded from analysis.

Stakeholder Group	Input or Outcome Item	Description / Details	Proxy Measure	Limitations and Caveats
Parents and Families, Communities	Outcome – Local job creation and economic opportunities (**excluded**)	While it is likely that two factors would contribute to increased local economic activity – increased spending by families, and an increase in business start-ups – this evaluation did not collect sufficient data on how frequently these events occurred. Particularly for business start-ups, it is not guaranteed that a new business will result in the creation of jobs for *employees* (not just the owner-operator), particularly in the short term. As such, this impact was excluded from analysis.	Excluded from analysis.	Excluded from analysis.
Prototype Sites	Input – sites hire and train additional staff	To meet increased demand for spaces during the PTS initiative, a number of child care sites needed to hire additional educators. Sites were responsible for the hiring process and training new staff; this was an input from sites that was leveraged by government investment.	Malatest assumed a cost of $5,000 per new staff member, to account for hiring processes (i.e., posting ads, interviewing, on-boarding) and on-the-job training.	Costs may have varied by region, child care type, and other factors; the $5,000 estimate is intended to be an average across all sites, but may be an over- or under-estimate of the true costs.

Stakeholder Group	Input or Outcome Item	Description / Details	Proxy Measure	Limitations and Caveats
Prototype Sites	Outcome – Reduced employee turnover at child care centers	The child care and early childhood education fields have very high turnover rates – likely due to a combination of emotionally and cognitively intense work, and low pay. Past research has estimated annual turnover in the field at 30% to 50%.[59]	Malatest calculated the difference in expected turnover (30%) and the actual turnover experienced during the initiative period (20%). The difference in number of workplace departures was then multiplied by the same hiring and on-boarding estimate used for inputs ($5,000 per new hire) to estimate the costs saved by PTSs in reduced turnover.	Due to lack of data collection prior to the initiative launch, it is not possible to validate that sites had an average turnover of 30% prior to the evaluation period; this is a best estimate based on previous research. Additionally, the $5,000 per new hire costs is again an estimate and may not be accurate to all sites.
Government	Input – Government spending on PTS initiative	While this was noted as an input on all impact maps, it is properly calculated as a government input. Unlike with other stakeholder groups, this is not calculated as a leveraged input, but is instead used as the base amount to calculate the SROI ratio from.	Total spending on PTSs, based on financial data provided to Malatest by the Ministry, was used for this figure.	It is important to note that this spending figure does not include administrative costs for the program – it only includes the dollars actually dispensed to child care sites. It is to be expected, however, that such a large program would have its own administration costs (e.g., staff dedicated to managing financial reporting, liaising with child care sites, other needs) and as such the government investment figure used in this SROI analysis is likely an underestimate of the true cost of providing the program.

[59] http://www.oecd.org/education/school/49322250.pdf.

Stakeholder Group	Input or Outcome Item	Description / Details	Proxy Measure	Limitations and Caveats
Government	Input- Government investment in QI grant Output- Increased provincial tax revenue due QI grant spending in the sector	The government investment in the QI grant can be viewed as an investment in the sector.	Total spending on QI grants, based on financial data provided to Malatest by the Ministry, was used for this figure. The return to the province was calculated using Statistics Canada's input-output model.	The input-output model assumed that a small portion of the return generated by investment in the QI grant benefited regions outside of B.C. (i.e., purchases and materials from out of province). The input-output examines only 'in province' inputs.
Government	Output – Reduced ACCB payments Reduced CCOF and CCFRI expenditure (**excluded)**	It was expected that greater affordability of child care for families would reduce the need for financial assistance to cover child care costs. This represents a savings to government that should be considered in an SROI analysis.	Malatest reviewed the average monthly ACCB payments reported by prototype sites in their applications, and compared this against monthly ACCB payments during the evaluation period. Differences were then calculated and used to identify an overall cost savings to the government in this area.	Not all sites provided information on ACCB payments in their applications. Further, there were some sites where data on ACCB payments was inconsistent, incomplete, or appeared to be inaccurate (e.g., reported more than $30,000 in ACCB payments monthly). These sites were excluded from analysis; as such, the calculation of ACCB savings incorporates savings experienced at only 40 sites, and is therefore likely an underestimate of the total cost savings to ACCB as a result of the initiative. CCOF and CCFRI expenditure information was not available and was therefore not reviewed or included in this SROI analysis.

Stakeholder Group	Input or Outcome Item	Description / Details	Proxy Measure	Limitations and Caveats
Government	Output – Increased tax revenue due to increased family incomes	Most SROI analyses completed in the past (i.e., Fortin, Quebec) indicate that there would be considerable returns to government due to increased labour force participation among low- to middle-income families due to the introduction of affordable child care. However, as noted previously, the structure of the initiative resulted in only a modest change in labour force participation, because the majority of parents in the evaluation were already in the labour force at the time of the first survey. Furthermore, the limited turnover of parents during the evaluation period meant that very few new parents were joining the PTSs. As noted previously, however, the revenue in reported household incomes would have an impact on provincial government taxes, as higher household incomes would generate higher income taxes for government.	The average increase in household income was calculated from survey data where parents were asked to indicate whether the PTS initiative has any impact on their household income. Families were asked to indicate by how much their annual household income increased or decreased. Malatest determined the average household income of PTS families at the end of the evaluation period using available survey data. Provincial taxes associated with this increase in household income was calculated based on 2019 provincial tax rates.	It should be noted that because the evaluation was unable to effectively measure the change in labour force attachment, the SROI estimate in this report likely underestimates the true tax impact(s) to government associated with investment in the PTS initiative.

Stakeholder Group	Input or Outcome Item	Description / Details	Proxy Measure	Limitations and Caveats
Government	Output – Reduced spending on school interventions and support needs due to increased school readiness and early interventions (**excluded**)	Literature in the area suggests that participating in early childhood education increases children's school readiness and allows for early interventions for children with support needs. As a result, needs for intensive interventions and supports are lessened once these children enter kindergarten and the early grades. However, due to the short timeline for this evaluation, it was not possible to estimate the extent to which these needs are reduced and schools experience cost savings on these types of early interventions. For this reason, this outcome was excluded from SROI analysis.	Excluded from analysis.	Excluded from analysis. It should be noted that due to the short duration of the evaluation, long-term outcomes associated with reduced spending on school interventions and support needs due to increased school readiness, the SROI estimate in this report likely underestimates the true impact(s) to government associated with investment in the PTS initiative.

9.5 SROI Findings

9.5.1 Return on Investment – Families

Overall Benefits Received

Families were the stakeholder group that experienced the largest impact as a result of the PTS initiative. Findings from the SROI analysis suggested that, in total, across all families who participated in the initiative, families experienced the following benefits as a result of the PTS initiative:

- $23.42 million in increased earnings;
- $30.75 million in increased disposable income due to reduced child care fees; and
- $46.74 million in value from the increase to their overall quality of life.

In total, families experienced benefits valued at approximately $100.91 million as a result of their participation in the initiative. As a ratio of government investment to value generated, the benefit to families alone is approximately 1.00:2.27: for every $1 that the government invested in the PTS initiative, families experienced $2.27 of value.

Impact on Household Income and Employment

Increased earnings for families were measured through survey data responses, in which respondents indicated ranges of increased incomes their households had experienced as a result of the initiative. This question did not differentiate between increased earning as a result of returning to work, working more hours at a job already held, earning more income as a result of taking a promotion or a change in careers, or other factors such as starting a business. As a result, the increase in earnings noted above was based on a global average among all families, and can provide the best overview of the average benefit to each household experienced as a result of the initiative.

As noted previously, there was a modest change in labour force participation among participants which did not markedly change from the time of the first survey to the time of the second survey. As most parents at the PTSs were already working at the time of the first survey, it would not be expected that there would be much change, especially since there were very few new families entering the PTSs. While the survey data suggests that many parents credited the initiative with increased labour force participation, these findings should be interpreted with caution because most parents had likely already entered the labour force prior to the introduction of low-cost child care through the PTS initiative. Due to the relatively short duration of the evaluation, it was not possible to observe the likely scenario of more low- to middle-income families returning to work given that their earnings would not be substantially reduced by paying relatively high costs for child care.

In this context, while the evaluation did not find a major increase in labour force attachment, it would be expected that - with a longer time period, and as low-cost child care becomes more accessible - B.C. would witness a significant increase in women's labour force participation as has been documented in Quebec by Fortin (2017).[60] Fortin's research suggests that in the 16 years following the introduction of low cost child care in Quebec, women's labour force participation increased by 13%.

[60] Fortin, P. (2017). What have been the effects of Quebec's universal child care system on women's economic security. *Brief submitted to the Standing Committee on the Status of Women (FEWO) of the House of Commons. Ottawa*. https://www.ourcommons.ca/content/Committee/421/FEWO/Brief/BR8806290/br-external/FortinPierre-e.pdf.

9.5.2 Return on Investment – Prototype Sites

During the PTS initiative and evaluation period, PTSs overall experienced a 20% turnover in staff. While there was not sufficient information available to compare pre-initiative turnover rates to turnover rates during the initiative at these specific sites, comparisons to previous findings on staff turnover in the early childhood education sector suggest that average staff turnover for early childhood educators is between 30% and 50%.[61] Using the low-end of this estimate, PTSs experienced a decrease in turnover of approximately ten percentage points, from 30% to 20%.

Using this 30% turnover rate, Malatest calculated the estimated savings in hiring and training resulting from this reduced staff turnover at prototype sites. It is estimated that the reduction in staff turnover resulted in a savings of $370,000 for PTSs during the evaluation period. The ratio of government investment to benefit generated for PTSs from this reduction in turnover is 0.8%.

9.5.3 Return on Investment – Government

As noted in the prior sections, it would be expected that the provincial government would experience several positive impacts associated with the initiative. These financial impacts include:

- Reduced ACCB payments made on behalf of low- to middle-income parents;
- Increased tax revenue associated with higher household income as reported by PTS families; and
- Increased tax revenues associated with additional expenditures associated with the QI grant.

Overall, PTSs saw reductions in average monthly ACCB payments during the evaluation period. On average, ACCB payments to PTSs reduced by 40% compared to the year prior to the initiative. In total, this represents $135,868 in direct savings to the provincial government. As a proportion of total government funding to PTSs, this is 0.3%; for every $1 that the government contributed to prototype sites, ACCB payments to these sites were reduced by less than one cent[62].

Based on the median household income of $105,000 for the PTS families (calculated from available family survey data), the increase in total household income of $23.42 million reported by survey respondents will result in increased revenue to the provincial government in the form of higher taxes on this income. In 2019, the provincial tax rate for individuals earning $105,000 in taxable earnings was estimated to be 7.7%. However, given that this refers to individual and not household income, and that taxable income would be reduced by a variety of deductions, the estimated return to the B.C. government associated with the increased provincial tax was reduced by 30% to ensure that the estimate was a realistic appraisal for increased taxes. See 0 for an overview of how this return was calculated.

[61] http://www.oecd.org/education/school/49322250.pdf.
[62] This may underestimate the savings from ACCB. ACCB started just before the PTS initiative on September 1, 2018, the payments on the PTSs applications would be from the lower Child Care Subsidy rates.

Table 9.4 Impact on Provincial Taxes due to Higher Household Incomes

	$ Million
Median PTS family household income	$0.11
Total increase in household income reports by PTS families	$23.42
Estimated provincial tax rate (2019) (for taxable income of $105,000)	7.7%
Gross provincial tax revenues	$1.8
Deduction for multiple household earners and other deductions (30%)	$0.54
Net return to provincial government	**$1.26**

As part of the PTS initiative, the Ministry also provided the PTSs with additional funds to implement quality improvements. The QI grant should be viewed as a net injection into the sector. Whereas much of the funding for the PTS initiative was provided to child care operators to reduce parent fees, the funding for quality improvements ($2.99 million) should be viewed as a net additional funding for the sector.

Using input-output models, the net impact of the QI grant can be estimated in terms of increased provincial tax revenue, because the QI grants were typically used to fund capital improvements, or were used to purchase learning materials and resources or other services (e.g., ECE training). Using an input-output model allows one to observe the economic impact as the expenditures cascade through other sectors (i.e., construction, retail trade, other). While there is no impact-output coefficient for the child care sector, the educational sector was used and is felt to be a good proxy. As highlighted in Table 9.5, it is estimated that the injection of $2.99 million into the child care sector resulted in the following:

- Increase in B.C GDP of $2.95 million;
- Increase in additional taxes to government of $0.26 million; and
- Creation of approximately 27 person years of employment in B.C.

Table 9.5 Economic Impact of Quality Improvement Expenditures – Input-Output Model (Total Multiplier Effect, Educational Sector)

Total Provincial QI Grant Expenditure	$2.99 million
Estimated Impact of B.C. GDP	$2.95 million
Estimated Taxes on Products Purchased	0.13[63]
Estimated Taxes on Production	0.13[67]
Estimated Total Taxes	**$0.26 million**
Estimated Number of Jobs Created	**27 person-years**

9.5.4 Total Return on Investment

Accounting for the value experienced by all stakeholder groups described above, Malatest has calculated that the *Childcare BC Universal Prototype Sites* initiative generated approximately $102.94 million in value for stakeholders. This represents a ratio of 1.00:2.32 when the investment in the QI grant is included: for every $1 that the government spent on the initiative, $2.32 in value was generated. When the investment in the QI grant is excluded and only investment in affordable child care is

[63] Statistics Canada, Table 3C-10-0113-01. Based on educational sector, expenditures are for within province only.

considered, the SROI ratio is 1.00:2.45: for every $1 that the government spent on the initiative, $2.45 in value was generated. Table 9.6 below give a summary breakdown of these benefits.

Table 9.6 Summary of Return on Investment, *Childcare BC Universal Prototype Sites* Initiative

Stakeholder Group	Description of Benefit	n	Value ($ Million)
Families	Increased annual earnings	2,614	$23.42
	Savings on child care fees	2,614	$30.75
	Quality of life improvements	2,614	$46.74
Prototype Sites	Savings from reduced staff turnover	53	$0.37
Provincial Government	Reduced Affordable Child Care Benefit Payments	40*	$0.14
	Increased tax revenue due to higher annual earnings	--	$1.26
	Increased tax revenue due to QI grant injection into sector	--	$0.26
Value of Total Benefits Accrued			**$102.94**
Provincial Government	Investment in *Childcare BC Universal Prototype Sites* initiative (QI included)		$44.42
Ratio of Benefits Experienced to Investment Made			**2.32:1.00**
Provincial Government	Investment in *Childcare BC Universal Prototype Sites* initiative (QI removed)		$41.43
Ratio of Benefits Experienced to Investment Made			**2.45:1.00**

* The *n* reported here refers to the number of sites, as ACCB payments were made directly to child care sites. ACCB payment amounts were available for both pre-Pilot and during-Pilot periods for 40 of the 53 prototype sites.

It is also important to note that this value estimate is a likely underestimate of the total value generated and the likely savings to government from the program. A number of limitations to this research resulted in highly conservative estimates being made in this analysis.

1. Increased retention in the child care sector can be expected in the long-term; this is expected that increased retention will mean that there is less loss in terms of public and government investment in the education and training of ECEs. Given the short timeline of this evaluation, it was not possible to assess what the extent of this impact has been or will be in the coming years. It is, however, an area for further study and evaluation as the government continues to assess the overall impact and value that investment in child care has generated for the Province.
2. Increased earnings for families were measured only over the course of the first year of the affordable child care initiative. Due to the importance of consecutive years in the workforce and general career path trajectories, the benefits to parents who return to work are expected to compound over time as parents and caregivers in the workforce are able to pursue further training and education, promotions, and raises.
3. The indirect, community-level economic impacts of increased employment and increased disposable income among families were not measured, due to insufficient data on how direct beneficiaries (educators, families) were making use of their increased incomes. It is anticipated that these direct benefits will have trickle down effects in their communities (for example, families may use some of their savings from child care to enroll their children in sports or art classes, which creates employment for coaches and teachers and overall increases local economic activity). This was not accounted for in the SROI analysis, but is expected to occur in most communities where families and educators experience increased income.
4. There are anticipated longer-term implications of increased earnings for families that are outside the scope of this evaluation timeline. For example, increased earnings over a lifetime may push families into higher tax brackets, resulting in increased tax revenue for British Columbia. Further, increased lifetime earnings may result in decreased use of provincial and

federal aid such as income assistance and employment insurance, as well as result in increased retirement savings and reduce reliance on supplementary senior security programs.

Measurement of these impacts would require a very long-term evaluation period (e.g., 20 to 30 years); research from other jurisdictions such as Quebec may be helpful in estimating what these impacts will be, in the meantime.

9.6 Future Funding Model Considerations

This subsection summarizes considerations for future funding models that the Ministry could use to provide universal child care. The section includes the following:

- An overview of funding formulas used in other jurisdictions (see Appendix C for full jurisdictional scan);
- Core services the government should fund; and
- Potential funding models that could be used in B.C.

9.6.1 Universal Child Care in Other Jurisdictions

During the 2018 rollout of the initiative in B.C., PTSs received funding from the Ministry according to their previous year's operating costs. While this approach allocated available funds based on the previous year's operating expenses, there are factors that contribute to higher costs. The average cost of child care differs depending on whether sites are located in an urban or rural environment, whether they are private or non-profit, whether they are In-Home sites, and whether they have a high proportion of licensed Infant and Toddler spaces. Factoring in these cost-based categories, alongside example models from other jurisdictions, can ensure that whatever funding model the government decides to use maximizes the affordability, accessibility, and quality of child care as universal child care is implemented across the province over the long term. Examples of different approaches to funding universal child care can be drawn from other Canadian provinces including Quebec, Manitoba, Prince Edward Island, and Alberta as well as at an international level in countries like Australia, the United Kingdom, Denmark, Norway, Sweden, and Japan.

In Quebec, subsidized child care has been in place for more than 20 years. During this time period, a range of modifications have occurred, such as switching from a flat fee to sliding scale and back again. The majority of child care spaces across the province are subsidized and there is a current push to subsidize the remaining spaces as well. Currently, parental contributions are at a flat fee of $8.25 per day. As of 2019, all parents pay the same daily rate regardless of household income. Families who have not secured spots at subsidized centres can qualify for a tax credit that substantially closes the gap between the two tiers (subsidized and non-subsidized). The tax credits are based on family income and require at least one parent to meet activity requirements related to employment status, business ownership, or education. Indirect subsidies via tax credits are one way to improve the affordability of care even if families are not able to enroll in subsidized centres.

Child care centres in Quebec submit a budget for approval by the Ministry prior to the start of a new fiscal year. The budget is reviewed and funding is determined based on the proposed budget. Each centre may have different costs depending on the number and qualifications of educators, unique operating expenses, and other cost factors. Any change in budget year to year must be approved and the government determines the legitimacy of changes on the basis of the proposal submitted by the child care centre. Prior to 2012, the Quebec government subsidized both private and non-profit child

care centres; however, during the period from 2012 to 2020, the government did not accept proposals from any new private centres. Beginning in 2020-21, the Province will accept proposals from private centres and will provide funding for up to 3,500 new spaces in Quebec's private child care centres.

After parent contributions, funding provided directly to the child care operators in Quebec is adjusted based on the number of subsidized spaces, the occupancy rate of these spaces, and annual attendance. The occupancy rate of spaces must meet or exceed a threshold of 90% and the attendance rate must meet or exceed 80% annually. Weighted occupancy days consider the increased costs of younger age groups since a higher ratio of ECEs are required. After this basic funding allowance is calculated for each centre, additional allowances are provided for pension plans for staff, group insurance plans, renovation projects at the centre, additional staff remuneration, and unforeseen adverse circumstances in centres. The basic allowance extends operating cost coverage to subsidize the cost of occupying the premises, taking on a portion of rent or mortgage payments for sites that qualify, including most non-profit centres. Based on proposals completed by centres, each operating budget is evaluated and an annual funding amount is provided; 50% of this is paid at the beginning of the fiscal year and the remainder is paid in the latter half. However, if the occupancy rate, number of spaces, or attendance rate changes over the year, the second annual payment will reflect this and, therefore, may differ from the first payment amount. Additionally, if the centre has not spent their entire first installment of funding, that amount is deducted from the second installment. The amount of funding used by centres over the course of one fiscal year also affects the amount received in the following year alongside the other determining factors.

The Quebec model also includes a quality review of child care centres that involves the use of a provincial quality assessment tool. Results of these assessments are available to the public via a website so that parents and stakeholders can assess child care quality in each centre. In addition, the Province maintains a provincial registry of parents wishing to use the subsidized child care. This registry is designed to ensure that there is fairness and transparency in terms of parent access to low cost child care.

Other provincial jurisdictions that have implemented low-cost child care share common aspects of Quebec's model, with some notable differences. Prince Edward Island increases parent fees based on the age of children enrolled, with younger children costing parents more per day than older children. This differs from the approach in Quebec where centres are funded directly at a higher rate for infants and toddlers while parents pay the same amount. Conversely, parents in P.E.I. pay additional fees for infants and toddlers while centres receive the same base funding regardless of whether or not the site has a high ratio of infants and toddlers. Manitoba has implemented a similar system to P.E.I., with the addition of a weekly hour-based cap; parents with children enrolled part-time pay lower fees than those with children enrolled full-time. In Alberta, 2,020 new, licensed child care spaces were created across Early Learning and Child Care (ELCC) centres. Between December 2016 and March 2020, ELCC centres accounted for 14.3% of the growth in new child care spaces and 18.7% of the growth in new child care enrollments in Alberta, yet comprised roughly 11.5% of all child care centres in Alberta. While the PTS initiative was in effect, parental contributions were capped at $25 per day and centres received grant funding based on factors such as implementation of standard curriculum and programs, maintenance of non-profit status, accreditation within first 12 months of funding, engagement of parents in quality assurance processes, implementation of one of seven mandatory improvements, and increase of spaces or enrollments as stipulated in the grant agreement.

International funding models share some aspects in common with Canadian provinces but also feature different elements not seen in Quebec, Manitoba, Alberta, or P.E.I. The majority of international models take a sliding scale approach instead of implementing flat fees for parents. For example, Australia subsidizes 85% of child care costs up to a certain income range and, above this, charges an additional fee based on family income categories. Australia has designed the National Quality Framework to outline the responsibilities and requirements of sites deemed necessary to provide high quality care and receive funding. Background stakeholder interviews, consideration of policy changes in public consultations, and consultation with child care providers were some of the measures taken in designing this framework. Australia has also created an Official Child Care Provider Handbook that summarizes these quality requirements for operators. The National Quality Standard Assessment and Rating Instrument is used to measure quality in centres and publishes results from centres publicly. This instrument focuses on pedagogical programming, health and safety, physical environment, staffing, interactions with children, community partnerships, and community leadership.

New Zealand has implemented similar quality improvement measures by offering increased funding to sites demonstrating high quality, in addition to covering 85% of operating costs. The quality of child care centres is assessed by the Education Review Office, which focuses on the following domains: emotional safety, physical safety, hygiene, suitable staffing, evacuation procedures, and practices in case of a fire or earthquake. Fees for siblings in New Zealand are subsidized at a higher rate than the first child. More funding is provided in the form of payments to parents based on their family income if three children are enrolled. Parents pay full fees but receive more funding to cover the costs of child care if their income is lower. The Ministry of Education consulted with stakeholders involved in early childhood and created a unified curriculum that is interwoven into their framework. Early childhood and education unions merged to provide a strong voice for practitioners and ECEs. This strengthened the national ECE field and made child care more accessible; the number of children ages zero to four years who have access to ECE programs is more than double in New Zealand compared to B.C.

Denmark subsidizes siblings at a higher rate (e.g., larger subsidy is provided for each consecutive sibling enrolled) and funds child care providers so that parents pay no more than 25% of the actual cost to the centre. In Denmark, child care is free if annual household income falls under a set amount, and then increases in a linear manner for earnings above this threshold. Norway does not offer free child care but does ensures that fees do not exceed 6% of household income. Sweden uses a similar approach, capping child care fees at 3% of household income for the first child enrolled in care, 2% for a second child, and 1% for subsequent children. All children in Sweden from the age of three to six years are entitled to 525 hours of free care per year (fees and subsidy begin after the 525 hours are expended). In contrast to most Canadian provinces, some jurisdictions such as the Netherlands pay subsidies directly to parents rather than paying subsidies to the centres, as is the case in Manitoba and Quebec.

Drawing from examples of child care funding models at both international and provincial levels, as well as analysis of cost differences through the rollout of the initiative within B.C., four models are proposed: Prototype initiative funding model, a Simple Funding Formula, a Complex Funding Model, and a Comprehensive Proposal Model. The Prototype initiative funding model continues the original approach taken by the Ministry, while eliminating risk to operators; New Zealand's application system functions in a similar manner to this. The Simple Funding Formula takes the age of enrolled children into account and offers more funding for infants and toddlers, in a similar manner to many of the previously highlighted jurisdictions. The Complex Funding Model offers funding based on age much like the Simple Funding Formula but considers additional categories that contribute to the cost per child, such as site size and

whether the site is located in an urban or rural setting; this is similar to the additional allowances offered to centres in Quebec based on staffing and other operating cost factors at each site. Lastly, the Comprehensive Proposal Model provides block funding based on the size of site on an annual basis and also contains a quality component; this model is similar to what was previously implemented in Alberta's universal child care prototype. These four models are further described and the advantages and drawbacks of each approach are discussed in more detail below.

9.6.2 Universal Child Care Funding Model Options

This subsection summarizes possible approaches that could be used by the Ministry to provide universal child care. It should be noted that the next phase should still incorporate lessons learned from the PTS initiative and evaluation, irrespective of any model or approach adopted.

Next Steps

Through its *Childcare BC* plan, government is working towards its goal of introducing province-wide universal child care over a 10-year period. While the transition happens between the current state of child care and the future state of universal care throughout B.C., there will be a significant period of time in which affordable child care will not yet be accessible to all families. It is assumed that the goals of the expansion of affordable child care will include many of the objectives of the PTS initiative, including:

- Focus on affordability ($10 day/per child or more);
- Focus on quality;
- Improved access (this had only limited emphasis in the initiative); and
- Increased information as to child care operating costs.

Guiding Principles

Irrespective of the model selected, next steps towards Universal Child Care should include the following elements:

1. **Continue to make payment to operators rather than parents**: This approach helps provide surety of programs/services for service providers and has been cited as providing needed financial stability to the system. This is the current approach in Manitoba and Quebec, for example.

2. **Policies to encourage high levels of space utilization**: The PTS initiative was characterized by above-average vacancies and below average attendance. Policies could be introduced to minimize vacancies and/or unused spaces in the centres (i.e., reduced funding based on actual utilization). Attendance thresholds could be considered until low-cost child care is more accessible; for example, Quebec sets a target of 80% attendance and re-evaluates funding amounts if attendance falls below this level. Once affordable child care it is widely available, parents will be less likely to purchase space that they are unlikely to use.

3. **Higher parent fees**: While $10/day child care was identified by almost all parents as being affordable, the very low daily fee may have had the opposite effect in terms of increasing access to low-cost child care. Some parents ended up reserving more days than they needed or used consistently; they would pay for child care space although they did not intend or need to use all of the purchased space (i.e., they would pay for five days/week even though they only required care for four days, so they had flexibility to use the fifth day if needed, or they would pay for summer spaces when such spaces were not actually needed in order to ensure they had a space after holidays ended). Parents at the focus groups indicated that they were willing to allow their

children to be absent more often than prior to the PTS initiative because $10 a day was a low enough cost that parents did not see it as a loss when their children did not attend on a day they had paid for. To manage access and ensure that parents only reserve space they need and intend to use, an alternative, higher fee cap could be considered. The Ministry may wish to consider conducting a study to determine what amount parents would be willing to pay for affordable child care. A study like this could help to determine appropriate parent fees that would still be considered affordable but also discourage parent hoarding behaviour. The Ministry may also consider a parent fee schedule based on a sliding scale in which the parental amount paid increases with household income. This schedule would not replace existing supports such as the Affordable Child Care Benefit (ACCB) for low- and middle-income families.

4. **Improved monitoring**: Monitoring could help ensure that operators are continuing to reporting accurate child care utilization and can also be used to assess the extent to which operators are adhering to program and service provisions as detailed in their initial applications or proposals (if applicable). For example, if a site indicated that they provided certain inclusive child care services or adhered to a certain pedagogical model, monitoring can help to ensure these inclusive child care services or pedagogical model are delivered.

5. **Program administration**: Funding should be provided to ensure that operators are supported to provide data to the Ministry. Providing an administrative stipend should help ensure that the Ministry can collect additional cost data and provide resources for sites to participate in additional/ongoing research as required.

6. **Quality assessment and quality improvement**: The Ministry could consider developing a tool to assess quality that correctly aligns with B.C.'s *Early Learning Framework* and is compatible with the various child care philosophies to which operators adhere. Furthermore, in some jurisdictions, there has been a desire to introduce provincial early childhood education curriculum to support quality care. To facilitate quality monitoring and help sites learn how to best use the quality monitoring tool with their child care programs, the Ministry could develop a quality monitoring unit that would be responsible for monitoring quality and supporting sites, as needed. Additionally, child care operators should be encouraged to collaborate with each other to share best practices and quality improvement plans.

   ECEs are the driving force behind child care quality. ECE training/qualifications and working conditions have been shown to impact the quality of child care; ECEs with a higher level of training and better work conditions are more likely to facilitate high quality child care compared to ECEs with lower levels of training and poor working conditions.[64,65,66] In additional to quality assessments and a quality monitoring unit, consideration should be given to the implementation of ECE workforce initiatives to address quality, for example by addressing ECE training requirements, working conditions, and wages.

7. **Equity of access to low-cost child care**: Currently, operators are responsible for the selection of parents into low-cost child care. Some thought could be given to the establishment of a central

[64] Kagan, S. L., & Neuman, M. J. (1996). The relationship between staff education and training and quality in child care programs. *Child Care Information Exchange*, *107*(2), 65-70.
[65] https://www.oecd-ilibrary.org/docserver/9789264085145-6-en.pdf?expires=1595953634&id=id&accname=guest&checksum=FD0853D1540C9353EB03DD4B7B2484AE.
[66] Kontos, S., & Wilcox-Herzog, A. (2001). How Do Education and Experience Affect Teachers of Young Children? Research in Review. Young Children, 56(4), 85-91.

registry in which parents could apply for child care spots in low cost centres. This could enhance the fairness of how parents are selected at each site.

Core Services that Could be Funded

The range of services offered by PTS child care operators varied, though there was some consistency. Most PTSs offered care during traditional hours (i.e., Monday to Friday, 8:00a.m. to 6:00p.m.). Nearly all PTSs (n = 46) charged parents additional fees for extended hours of child care (e.g., early morning or later evening). Many PTSs also offered snacks to children for no additional fee. A few PTSs offered a meal program that families could opt into for a fee. Only five PTSs (9%) charged parents additional fees for activities. These fees were minimal in most cases, ranging from $20 to $80 per month, and were intended to cover the cost of special classes or events (e.g., outdoor camp week).

As B.C. moves towards universal child care, it will be necessary to define the core services that should be covered with government funding. As a primary goal of the *Childcare BC Plan* is to increase accessibility of child care, morning/evening and weekend care could be offered to parents at the same rate as care provided during traditional hours. Additionally, small food purchases (i.e., snacks) could be covered by government funding; many of the PTSs currently offer snacks at no additional cost to parents. Meals, field trips, and special classes/events (e.g., dance class, yoga, swimming lessons) could be offered at a reasonable additional cost to parents. In the same context, it may be appropriate for B.C. to consider providing additional funding to support high needs children, including those with support needs and children who require ESL services, for example.

Proposed Models

It is proposed that the Ministry give consideration to adopting one of four potential models. The description and strengths and weaknesses of each model are described below. The four proposed models do not take into account parent fees or other revenue (e.g., from grants or fundraising); the models presented assume that 100% of child care operating costs would be covered by Ministry funding. Adjustments can be made to funding amounts when a standard parent fee is determined and other revenue sources are identified. The models include the following:

- Model A – Prototype Initiative Funding Model (Cost Plus Basis Model);
- Model B – Simple Funding Formula;
- Model C – Complex Funding Model; and
- Model D – Comprehensive Proposal Model.

Model A – Prototype Initiative Funding Model (Cost Plus Basic Model)

This model is a replication of the original PTS funding approach in which the Ministry invited child care operators to apply to be part of the PTS initiative. Using this model would likely ensure that a high number of operators apply because the model essentially removes almost all financial risk to the operators. For advantages and disadvantages of this model please see 0.

Table 9.7 Advantages and Disadvantages of Model A

Advantages	Disadvantages
• No risk to operators means there would likely be a high degree of interest among child care operators. • More flexibility for the Ministry to select the type of operations to be included. • New sites provided with a QI Grant to support quality enhancements. • Would enable the Ministry to collect additional cost data to support development of more robust funding models.	• Approach will not necessarily result in additional spaces (i.e., increased accessibility) or increased quality (in the absence of the QI Grant). • Ministry will still need to use a proposal process to select sites, which can be resource intensive. • Administrative requirements will still be considerable (for both sites and the Ministry). • Considerable range in per-child funding. • Model does not directly support efficiency.

Model B – Simple Funding Formula

Using the cost data collected during the PTS initiative, it is possible to develop a simple funding formula that provides funding on the basis of the type of site and age of the children served. The benefit of the simple funding formula model would be to encourage efficiency in terms of child care funding and to provide an equitable level of funding; all operators would receive the same basic funding on the basis of the age of children in care rather than funding all costs incurred by operators.

It should be noted that in this model, it is proposed that the funding level be set at the median rate (i.e., trimmed for outliers—both highest/lowest cost operators) plus 5% to account for program administration requirements.

Since staffing levels are established through licensing requirements based on the age of the child, it is prudent to develop a funding formula based on the age of the child for most operators; however, since in-home child care providers care for children of all ages and tend to charge one set fee rather than a fee based on the child's age, a simple funding model includes a generic per-child stipend for in-home care operators.

The funding model developed below (see 0) is based on an approach in which the median cost per child was computed on the basis of excluding the highest and lowest cost per child within each PTS site category (i.e., In-Home, Infant-Toddler only, Infant-Toddler + Preschool, and Infant-Toddler + Preschool + School-Aged) to arrive at a trimmed median cost per child. The data below includes an assessment of the current cost structure, current median, trimmed median, and proposed funding per child that would include an additional 5% to account for project management associated with participation in the next phase of the initiative.

Table 9.8 Simple Funding Formula

	Range in Cost per Child	ECE Median Hourly Wage (range)	Median	Trimmed Median	Trimmed Median +5%
In-Home	$618 to $1,780	--	$877	$877	$920
Infant-Toddler	$1,821 to $2,850	$25 ($23 to $31)	$2,109	$2,095	$2,200
3-5 Year Olds*	$862 to $3,078	$23 ($17 to $35)	$1,001	$1,169	$1,227
6-12 Year Olds**	$190 to $908	$24 ($20 to $29)	$322	$322	$338

Source: November 2018 to February 2020 Monthly Report Data.
Note: Includes removal of the highest and lowest cost/child sites (except for I/T costs for which only the highest cost site was removed due to the small number of I/T-only sites). These values assume parents are not paying fees.
*median after accounting for I/T spaces at centres that provide care to I/T and three to five year olds.
**PTS Application data.

Under the simple funding formula 55% (n = 29) of all PTSs would receive the right amount of funding to cover their expenses. A small proportion of PTSs (17%, n = 9) would not receive enough funding to cover their monthly expenses and 28% (n = 15) would be overfunded by at least 15% based on their current operating expenses. PTSs that would not receive enough funding to cover their expenses if the simple funding formula was used reported higher compensations costs and higher program costs compared to other PTS. The proportion of infant/toddlers also impacted whether a site that cares for children of different ages (rather than exclusively for infant/toddlers) would be underfunded or overfunded. Sites with a higher proportion of infant/toddlers (> 25%) tend to be overfunded compared to sites with a lower proportion of infant/toddlers. 0 provides a few examples of how current PTS would be funded using the simple funding formula.

Table 9.9 Examples of Effects on some Current PTS Using the Simple Funding Formula (Model B)

PTS	Reported Monthly Operating Expenses (per child)	ECE Hourly Wage	Funding using Model B	Profit /Loss (%)	Reason for Surplus or Deficit (monthly per child expenses by category)			Proportion of…		
					Facility Expenses	Compensation Expenses	Program Expenses	I/T	Preschool-age	School-age
In-Home PTSs										
HC1	$6,697 ($837)	--	$7,360	$663 (10%)	$94	$615	$128	--	--	--
HC2	$7,648 ($1,092)	--	$6,440	$1,208 (15%)	$154	$808	$131	--	--	--
IT-Only										
FP1	$49,968 ($2,082)	$25	$52,800	$2,831 (6%)	$162	$1,786	$134	100%	--	--
NP1	$36,640 (2,290)	$24	$35,200	-$1,440 (4%)	$337	$1,302	$649	100%	--	--
IT + Preschool										
FP2	$55,945 ($1,512)	$17	$57,075	$1,129 (2%)	$343	$1,009	$159	32%	68%	--
NP2	$90,528 ($1,460)	$35	$87,750	-$2,778 (3%)	$218	$1,145	$98	20%	80%	--
IT + preschool + school-age										
FP3	$34,341 ($685)	$24	$33,203	-$1,138 (3%)	$87	$360	$237	20%	25%	55%
NP3	$88,746 ($896)	$24	$92,852	$4,106 (5%)	$72	$630	$194	20%	25%	55%

Note: PTS names have been withheld but expenses reflect actual expenses reported on the PTS Monthly Reports.

The Simple Funding Model has advantages and disadvantages as listed below (see Table 9.10).

Table 9.10 Advantages and Disadvantages of Model B

Advantages	Disadvantages
• Provides more equitable funding – operators receive the same amount for each child based on their age. • Can promote greater accessibility – operators may decide to expand to take advantage of additional per-child funding. • Relatively easy for the Ministry to administer. • Inclusion of additional 5% can help ensure that operators continue to provide additional data for evaluation and/or performance monitoring.	• Not all operators can operate at the provided funding levels. • Operators with costs below the median rate would be overfunded. • Relies on a very limited sample size to arrive at a per-child funding estimate; results may not be representative of true costs across B.C. • Some high-cost sites currently in the initiative may withdraw because they would be underfunded. • In the absence of the QI Grant, it is unclear how quality would be improved.

Model C – Complex Funding Model

The complex funding model takes into account other factors that influence the cost of child care delivery. The model builds on the cost formula developed for Model B (Simple Funding Model) but includes adjustments that reflect other cost considerations as identified in the initiative, such as location and size of the child care facility. The funding model resembles the model used to fund students in the K-12 education system, in which a basic amount is provided per student and additional funding can be provided based on other student/district characteristics.

The complex funding model would use the basic per-child funding as developed for the simple model, but introduces adjustments based on cost differences identified in the monthly report financial data. In this model, operators would receive a basic amount per child, with adjustments made according to geographic region (urban vs. rural) and the size of the operation in terms of the number of children.

The proposed model could incorporate the following formula (see Table 9.11). Please note that there is not enough data at this time to develop funding amounts for each category, so the formula presented should be considered a starting point only.

Table 9.11 Complex Funding Formula

	Trimmed Median Cost/Child (+ 5%)	Regional Adjustment	Size Adjustment	
			< 50/site	> 50/site
In-Home	$920	Urban -5% ($875) Rural +5% ($966)	N/A	N/A
Infant-Toddler	$2,200	--	--	--
3-5 Year Olds	$1,227	Urban +10% ($1,350) Rural -10% ($1,099)	+10% ($1,485) +10% ($1,209)	-10% ($1,215) -10% ($989)
6-12 Year Olds	$338	Urban +5% ($355) Rural -5% ($321)	--	--

While the complex funding model is geared to reflect the likely costs experienced by different types of operators, it has been constructed using a very limited data set. Furthermore, the proposed funding model does not take into account the key cost drivers associated with child care, including the variable compensation costs (salary and benefits) offered by operators. The complex funding model can be further adjusted to provide additional financial resources for operators to accept potential higher-cost children, including children with support needs, ESL children, and/or other children from pre-defined equity groups. In terms of funding for children with support needs, it may be possible to predict the level of funding that will be needed based on information that is available (i.e., EDI scores and Census data). In Ontario, a prediction model called Special Education Statistical Prediction Model[67] was developed to help predict where funding for children with support needs will need to be allocated. The model uses a variety of demographic and background factors to predict which schools will be in greatest need of funding for children with support needs (i.e., which school districts will likely have the greatest number of children with support needs). A primary advantage of using a predictive model is that it does

[67] Willms, Palinsky, & Blugerman, (2013). Special Education Statistical Predictions Model (SESPM). Ontario Special Education Policy and Programs Branch. - http://www.edu.gov.on.ca/eng/funding/1516/2015SB05EN.pdf.

not require children to have a diagnosis in order for the school/child care centre to receive funding to support the student. Further, a predictive model could help to determine where funds will be needed so that funds can be allocated at the start of a fiscal year, reducing the risk of running out of funds for children with support needs part way through the year. A drawback of this method is that it could be time consuming to develop and perfect a model that results in predictions that are accurate enough to use a justification for the allocation of funding for children with support needs.

Adjustments presented above, in Table 9.7, are based on the cost data gather for the PTS initiative evaluation. Alternatively, the Ministry could adopt the current student funding adjustments/differentials used in the K-12 education system as the basis for modifying payments to operators based on region, type of student and other socio-economic considerations. For example, if the B.C. Ministry of Education funds a student in Prince George B.C. at 1.15 times that of the average student, then for the purposes of child care funding, the Ministry could adopt this same ratio for funding of child care spaces in Prince George (1.15x the provincial average). Of course, there are some substantial concerns with this approach, notably that teaching salaries are provincially mandated, whereas in the child care system there is no provincial guidelines for ECE compensation. However, this could be mitigated with the introduction of an ECE wage grid.

The benefit of the complex funding formula is that the model still promotes efficiency but also provides accommodation for the different costs incurred by operators with child care centres in an urban versus rural environments. In addition, the model reflects lower child care costs that were observed at larger versus smaller PTSs. The complex funding model would likely incur many of the same risks as the Simple Funding Model (see Table 9.12).

Table 9.12 Advantages and Disadvantages of Model C

Advantages	Disadvantages

• Provide more precise funding that takes into account different costs pressures for different types of operators.
• Can promote greater accessibility, as operators may add additional spaces on the basis of funding formula.
• Ministry can modify formula to encourage enrollment of children from underserved populations:
  ○ Children with support needs
  ○ Indigenous children
  ○ Other identified higher cost children
• Inclusion of additional 5% can help ensure that operators continue to provide additional data for evaluation and/or performance monitoring.
	• Even with adjustments funding may not be sufficient for all operators.
	• Funding amounts have been determined based on very small data sets so it is unclear whether proposed funding would be appropriate for most B.C. child care operators.
	• Limited rationale to explain differences in costs based on region/size of operation.
	• Likely more difficult for the Ministry to administer.
	• Some high-cost sites in the current initiative may withdraw because they would be underfunded.
	• In the absence of the QI Grant, unclear how quality would be improved.

Model D – Comprehensive Proposal Model (Grant or Block Funding)

A different approach that could be used is to adopt a comprehensive proposal model in which the Ministry would provide block funding up to a maximum selected amount (e.g., up to $650,000 for small-/medium-sized sites) on an annual basis. This approach is similar to Model A but imposes maximum funding caps. This was the approach used in Alberta, in which non-profit child care operators were asked to propose what activities they would implement if they were provided with such grant funding. Under such a model, it is expected that the following would occur:

- Sites would commit to maintaining existing services and charging all parents the low cost for such services;
- Sites would indicate whether they would be creating additional spaces and/or offering expanded child care options (weekends, mornings/evenings); and
- Sites would identify what actions they would take to improve child care quality at their site (e.g., adoption of a prescribed curriculum, purchase of additional learning resources).

In this model, the Ministry can directly influence affordability, accessibility, and quality by defining the importance of these attributes as part of the RFP process. This model gets away from a one-size-fits-all approach and allows operators the flexibility to develop a set of programs/services that best meet the needs of their community.

In the Alberta model, sites submitted proposals to receive a grant of additional funding that would cover the changes/enrichments proposed by each child care centre. For example, a small site (< 50 children) could apply for block funding to cover increasing the number of child care spaces, incorporating prescribed quality improvements, and providing resources for educator training. In this context, the block funding provided the site with additional resources to implement a variety of different changes and improvements.

As part of this model, operators would have to indicate how they would use the funding, with a requirement that all parents would be charged at the same reduced rate. Operators could include in their proposal actions designed to increase access (e.g., more spots, inclusion of spaces on weekends, evenings) and/or actions designed to increase quality (e.g., adoption of curriculum, training).
This model has its drawbacks; it would be difficult to compare different proposals because, for example, some sites may emphasize program expansion whereas other sites may focus on quality improvements through the adoption of curriculum or via upgrading the skills of existing staff. The scoring and selection of proposals would also be challenging, as the Ministry would need to objectively assess the value of certain proposed changes. For example, how does the Ministry value the creation of 'x'" number of new spots versus the desire of an operator to adopt a new curriculum and invest in staff training and development? This model would also require considerable oversight and monitoring to verify that operators implement the initiatives that were contained in their proposal. In addition, there would be challenges in terms of how the Ministry could recover funding if sites were found to be non-compliant with their proposal.

The benefit of this approach is that the funding would allow for considerable flexibility and innovation in terms of how operators would change/modify their operations if they were selected for the block funding. In essence, this model could support all three pillars of a robust child care policy: increased affordability, increased access, and increased quality (see 0).

Table 9.13 Advantages and Disadvantages of Model D

Advantages	Disadvantages
• Allows for flexibility and innovation among operators to propose a mix of activities that can address affordability, accessibility, and quality. • Ministry can rate proposals on overall value for money using criteria to be set by the Ministry. • Can generate different approaches that can be evaluated in terms of potential roll-out and/or expansion. • Can allow Ministry to use the proposal process to set priorities.	• Unclear whether relative value of proposals will be equivalent. • High administrative burden for the Ministry to review, select, and monitor proposals for compliance. • Difficult to understand how the model could be significantly expanded since cost per child may vary significantly. • May require development of guidelines/policies that reflect Ministry expectations with respect to accessibility and quality. • Limited ability to recover funding if proponents do not fully implement actions as identified in their proposal(s).

Summarized in Table 9.14 below are the key features of each proposed model. Assessment of each model includes an examination of how the models support affordability, access, quality and efficiency. The table also identifies the anticipated level of Ministry support required to manage each of the proposed models.

Table 9.14 Comparative Model Analysis

	Supports Affordability	Supports Access	Supports Quality	Supports Efficiency	Level of Ministry Administration
Model A	Yes	No	Only with additional funding targeted at supporting quality improvements	No	Average-high
Model B	Yes	Potentially yes	Only with additional funding targeted at supporting quality improvements	Yes	Average
Model C	Yes	Potentially yes	Only with additional funding targeted at supporting quality improvements	Yes	Average-high
Model D	Yes	Potentially yes	Potentially yes	Unknown	High

9.6.3 System Sustainability

Consultation with PTS ED/Site Supervisors, our team of experts, and the team of evaluators has illuminated a few areas of consideration in terms of sustainability of expanding affordable child care in B.C. Prior to province-wide expansion, the Ministry will need to consider which child care centres are eligible for funding and where the initiative should be expanded to first (i.e., identify the priority/target groups). Consideration should also be given to issues in the larger ECE community and a lack of available child care spaces that would hinder substantial expansion of affordable child care.

Selection of Child Care Centres: Who is Eligible and Who are the Target/Priority Groups?

Prior to any expansion of affordable child care the Ministry will need to consider who is eligible and who the target/priority groups are. There was general agreement that affordable child care should be accessible to all parents and that there should not be a work or school requirement (i.e., only parents seeking employment or education or people who live in the community should be eligible). It was clear that families need child care for reasons other than education and employment, such as mental health concerns, personal/relationship issues, child safety/protection concerns, and to generally support the child's development and preparation for kindergarten. Additionally, among those consulted there was agreement that any expansion of affordable child care should be prioritized at non-profit child care centres, though fewer private operators were in agreement than operators from other child cares sites.

In terms of identifying a target or priority group for the next expansion of affordable child care, there were many opinions among those consulted. Consistently, ED/Site Supervisors and others suggest that in-need or disadvantaged and at-risk families (based on the Early Development Instrument or SES cut-offs) should be targeted first. Others felt that infant/toddler care should be prioritized due to its high cost. In order to allocate low-cost child care to families in need, the Ministry could consider the establishing a province-wide parent/child registry.

Some ED/Site Supervisors felt that the most in-need families could be prioritized if parent fees were on a sliding scale based on income. Approximately half of those consulted thought that parent fees should, at least initially, be based on income rather than a fixed universal amount. The most common reason for choosing an income-based parent fee structure was to ensure funding would flow to the families who, in their opinion, needed it most. Those who preferred one universal parent fee expressed concern about how income testing would be done and questioned whether there was a fair and equitable way to implement parent fees on a sliding scale. These respondents argued that a system is not truly universal if families are paying different rates for the same service and questioned how an income threshold would be determined and whether it ensure equitable access to affordable care.

Early Childhood Educators

The recruitment and retention of qualified ECEs is vital to ensuring the provision of high quality education and child care but generally low pay and public lack of professional recognition dissuade people from entering, or staying in, the ECE workforce.[68] There is considerable concern from ED/Site Supervisors, the Ministry and sector partners about whether the current workforce of ECEs is large enough to support universal child care. Skilled and experienced ECEs are needed to meet demand for child care and, currently, there is a shortage of qualified ECEs in the province.[69] Reasons for the shortage of ECEs include the following:

1. A lack of appreciation for Early Childhood Education: a change in public perceptions of early childhood education is needed to reduce the stigma that "it's just baby-sitting" and to increase the value of ECEs;
2. Difficult working conditions: there was agreement that improved working conditions (i.e., mandatory breaks and set hours) for educators would help improve retention and mitigate burnout; and

[68] Carlson, S. A. (2017). Room to grow: Policy options for developing BC's early childhood education workforce.
[69] https://d3n8a8pro7vhmx.cloudfront.net/10aday/pages/2938/attachments/original/1592366591/CCCABC_ECEBC_wage_grid_report_June_13_2020_web.pdf?1592366591.

3. Low wages: ECE wages are too low to attract and retain educators. ECEs at the PTSs are paid varying amounts depending on their level of certification and experience and depending on which PTS they work for; hourly wages range from $17 to $35 per hour (median = $23/hr). ECEBC recommended the following starting/entry-level wage structure: $26/hour for ECEs with basic certification; and $29/hour for ECEs with post-basic certification.[70]

The Ministry should consider implementing additional initiatives or programs to address the shortage of ECEs. The Province could consider providing funding to support an increase in ECE wages, and could consider implementing a standard wage grid for ECEs that is in line with the school board payment structure for educational assistants. Only three provinces currently have ECE wage grids or guidelines:[71] Manitoba,[72] PEI,[73] and Quebec.[74] PEI is the only province with a publicly available ECE wage grid. Depending on levels of training and certification, hourly wages for ECEs entering the field in PEI range from $14.48 (ECE-A) to $18.61 (post-basic ECE certification). For each year of experience up to five years, ECEs receive a wage increase of approximately 2.5% to 3% each year. These wages fall well below what is recommended by ECEBC.

In addition to noting low ECE wages as a barrier to attracting and retaining qualified educators, ED/Site Supervisors at the PTSs commented on the need to further standardize ECE education and training, and on the need for continuous learning (i.e., increase in required annual PD). The Ministry could consider further standardizing ongoing ECE training requirements/programs to ensure higher quality professional development for ECEs. PTS ED/Site Supervisors voiced concern about the quality and level of training that some ECE programs provide. ED/Site Supervisors indicated that they had noticed distinct patterns of ECEs graduating from certain programs and not being prepared to work on the floor and manage a classroom. Consideration should also be given to allocating funding to sites for ECE professional development and continued learning. Standardizing training and providing ECEs with a living wage will go a long way in terms of elevating the profile of the profession (i.e., ECE as more than just babysitting) and in attracting and retaining ECEs to the field.

Accessibility of Child Care

Implementing universal child care or expanding affordable child care will increase the demand for child care across the province. Given that there is already a shortage of child care spaces and many child care centres are dealing with long waitlists (which causes increased administrative burden), accessibility of child care would need to be improved before universal child care should be implemented province-wide.

The Province currently has initiatives and grants available to help increase the number of licensed child care spaces in B.C. There should be a continued focus on the development of new licensed spaces by supporting existing child care centres to renovate/expand facilities to create the infrastructure needed to support additional child care spaces. In addition, consideration should be given to working with new providers to create new licensed child care centres/spaces. It is also important to note that increasing accessibility to child care means increasing accessibility to a variety of different types of child care (e.g.,

[70] http://ecebc.ca/wage-grid-exec-summary.pdf.
[71] https://d3n8a8pro7vhmx.cloudfront.net/10aday/pages/2938/attachments/original/1592366591/CCCABC_ECEBC_wage_grid_report_June_13_2020_web.pdf?1592366591.
[72] http://mccahouse.org/wp-content/uploads/2018/11/MSCGS-2018-2019-1.pdf.
[73] https://www.princeedwardisland.ca/sites/default/files/publications/eyc_wage_grid.pdf.
[74] https://www.mfa.gouv.qc.ca/fr/publication/Documents/SF_remuneration_personnel_salarie_2007-2012.pdf.

difference educational philosophies, in-home sites, centre-based sites) to maintain parental choice in care type.

An additional concern noted by ED/Site Supervisors was a bottleneck that is occurring when children age out of infant/toddler care and need to transition to another age group. The reason for the lack of flow between programs was attributed to the misalignment between early childhood education regulations and the school system. More specifically, schools work on a September entry date (they accept children into kindergarten in September of the year the child turns five years old), whereas the early childhood education system bases transitions on the actual birth date of the child. One potential improvement would be to align the childhood education system with the schools' September entry date and delay entry into the programs for three to five-year-olds until a child is three-years-and-eight-months-old rather than when the child turns three years old.

Implementation of a Standard Curriculum

In order to facilitate the provision of quality child care in B.C., consideration should be given to implementation of a standard ECE curriculum. The *Early Learning Framework (ELF*) currently provides child care centres with a framework and set of guidelines to help them provide high-quality early childhood education; however, many PTSs did not know how to incorporate this framework into their child care programs. Some consideration should be given to developing training workshops or resources to help educators learn how to use the ELF in their child care programs.

SECTION 10: SUMMARY OF IMPACTS AND POTENTIAL FUNDING MODELS

This section presents a summary of key evaluation findings, potential future funding models, and considerations for future expansions of low-cost child care in B.C.

10.1 Summary of Impacts and Outcomes of the *Childcare BC Universal Prototype Sites Initiative*

At the end of the evaluation period, findings reveal a number of positive impacts that the PTS initiative had on PTS educators and families, as well as on PTS child care quality.

10.1.1 Relevance and Need for the Childcare BC Universal Prototype Sites Initiative

All data sources agree that there is a very clear need for universal, affordable child care. A literature review and analysis of available evaluation data revealed that parents and families are spending a large portion of their income on child care costs and that child care costs in B.C. are among some of the highest in Canada. A review of the literature also summarizes the many benefits and positive economic impacts that universal, or low-cost, child care has for parents and families, children, and broader society. The benefits highlight the importance of accessible and affordable child care and support the need for a universal, affordable child care system in B.C.

Overall, the goals of the *Childcare BC Universal Prototype Site Initiative* align with goals set by the provincial and federal governments. The PTS initiative is a part of the larger 10-year child care plan which supports the Province's goals of creating affordable, accessible, and quality child care for B.C. families.

10.1.2 Implementation of the Childcare BC Universal Prototype Sites Initiative

Eligible child care centres applied to become PTSs in summer 2018. Overall, implementation of the initiative went as expected but PTSs did report some difficulty in regard to completing the PTS application. Difficulties were related to the timing of the application (during the summer months, which was identified as "not ideal") and confusion related particularly to the financial aspects of the application. Once selected, 53 child care centres transitioned to PTSs in November and December 2018. In preparation for the implementation of the initiative, ED/Supervisors reported three main areas of change: human resources, administration, and communication with parents and families.

PTS ED/Site Supervisors reported the following factors as helpful in facilitating implementation: the quality of interactions with MCFD, supporting documentation, educator buy-in, and financial compensation for additional administration. The PTS ED/Site Supervisors also identified the following challenges during implementation: tight timelines, administrative burden, media attention, increased family demands, and navigating multiple moving parts. While there were a number of challenges reported by ED/Site Supervisors, the majority felt these were expected given this was the launch of a new initiative. As such, the majority of ED/Site Supervisors felt that implementation went as anticipated.

The new model did, however, require considerable Ministry resources and time to manage the PTS initiative.

10.1.3 Impacts of Childcare BC Universal Prototype Sites Initiative on Accessibility

The PTS initiative was not intended to increase accessibility of child care. The goal was to review existing child care providers to gather information that will help to inform the transition to a universal child care system in B.C. As a result, the family composition of PTSs did not change – it was also not an expectation that PTSs would increase the number of child care spaces at their centres. However, even in the absence of targeted incentives/supports to increase spaces, there were some modest impacts to accessibility. Approximately one-half of all PTSs reported improvements in their inclusive child care practices and in their ability to support children with support needs. Parents and educators at the PTSs reported high levels of satisfaction with the inclusivity of PTSs and provided positive feedback about improvements to inclusivity at some PTSs over the course of the initiative.

In other respects, it could be said that access to the PTSs was reduced due to the limited availability of low-cost PTS child care spots (i.e., because affordable child care is not yet universal). Due to reduced turnover in children at the PTSs, ED/Site Supervisors reported very little movement in their waitlist and some closed their waitlists altogether. PTSs struggled somewhat to maintain high attendance rates; on average, 79% of PTS spaces were being used by families each month and the remaining 21% of contracted spaces (approximately 509) were either vacant (i.e., a child was not enrolled) or not being used due to absenteeism. Funding Agreements with PTSs required sites to maintain high enrollment and funding decreases were implemented at PTSs that reported lower enrollment for three consecutive months or more. The attendance rate at B.C. PTSs (70% to 75%) was below the 80% threshold currently required by the Province of Quebec; attendance below this level results in financial penalties for the operators. PTS operators were potentially receiving funds for, on average, 509 unutilized PTS spots each month.

10.1.4 Impacts and Outcomes of *Childcare BC Universal Prototype Sites* Initiative for Educators

Educators reported positive impacts as a result of the initiative. The initiative allowed educators at PTSs to spend more time on various child care tasks such as program planning and preparation and goal setting. Some educators also reported increases in salary, above and beyond the ECE-WE, and positive changes to their workplace benefits; although it should be noted that some but not all of these increases were scheduled prior to implementation of the PTS initiative and were not a direct result of the PTS initiative. Overall:

- Educators' well-being increased over the course of the initiative;
- Work-related stress decreased;
- Educator satisfaction remained high over the course of the initiative;
- Educators also noticed positive improvements in terms of how they were perceived, and treated, as professionals at the child care centres; and
- At the end of the evaluation period, a larger proportion of educators reported an intention to stay at their current child care centre for the next 12 months compared to results from the beginning of the evaluation period.

10.1.5 Impacts and Outcomes of Childcare BC Universal Prototype Sites Initiative for Families

Parents reported a number of positive financial impacts, including to work and school, and to their family's quality of life. In terms of affordability, parents thought that they were paying "the right amount" in child care fees. Families reported positive financial benefits such as increased household income, improved financial well-being, and the ability to pay down debt and increase savings. Families also reported positive impacts to their work or school life, including some increase in labour force attachment. Finally, families also reported a number of psychosocial impacts, including reduced family

stress, and improved family relationships. In general, families reported improved quality of life and improved family well-being.

Population of Interest: Parents in the population of interest enrolled their child in the PTS after November 2018 and were not enrolled when the site became a PTS. These parents were more likely to report positive financial impacts and impacts to work and school compared to parents who were already at a PTS prior to November 2018. This population highlights the likely impact of gaining access to low-cost child care and suggests that more positive impacts would be observed if the PTS initiative were expanded to include new child care centres/spaces and more new families were included in the initiative. Additionally, it is likely that more positive impacts would be observed if the evaluation were able to collect true baseline data, collected prior to the low-cost child care being introduced (i.e., while parents were paying much higher, market-based child care fees).

Differences by Family Characteristics

To better understand how different types of families have been impacted by the PTS initiative, parents who responded to the Site Visit 3 (2020) Family Survey were grouped based on the demographic information they reported. See Table 10.1 Five groups were identified using cluster analysis.

Table 10.1 Family Survey Groups

Family Group	% of all PTS families (n)
High-income Families*	2% (18)
Young parents, new to Canada, working-class Families**	4% (36)
Average Families***	47% (459)
Average (higher-income) Families******	45% (449)
Low-income Families*******	2% (20)

*High income families are defined as having annual household incomes greater than $150,000.
**Young parents were defined as under the age of 25. New to Canada was defined as having lived in Canada for less than five years. Working class families were defined as having an annual household income between $40,000 and $70,000.
***Average families (mid to higher incomes) are defined as having annual incomes from $70,000 to > $150,000.
****Average families are defined as having annual incomes from $40,000 to $120,000.
*****Low income families are defined as having annual household incomes below $40,000.

While some differences in impacts between these groups were observed, large proportions of parents reported positive impacts to their household income, finances, work or school, and their quality of life or well-being regardless of group/family characteristics. Impacts to family quality of life and well-being did not differ based on family characteristics but some differences in positive financial impacts and impacts to work and school were observed. Impacts to work and school were most likely to be reported by parents in the young parents, new to Canada, and working-class families group, but this group was least likely to report financial impacts such as the ability to save money to pay down debt. The group of parents with mid- to high annual household incomes was most likely to report positive financial impacts compared to all other groups. Low-income families were least likely to report positive financial impacts and impacts to work and school. It appears that the PTS initiative did not have a significant impact on these families; likely because they were already receiving low-cost child care through ACCB and/or other fee reduction initiative.

10.1.6 Impacts and Outcomes of *Childcare BC Universal Prototype Sites* Initiative by PTS Groupings

Impacts and outcomes reported by educators and families on the Site Visit 3 (2020) survey were examined to see whether their responses differed based on PTS type (including PTS location, operating model, care type, and quality). Few differences in family or educator impacts emerged within the PTS groupings. Where differences did emerge, it should be noted that high proportions of parents, regardless of PTS grouping, reported high levels of satisfaction with the child care centres and positive impacts of the initiative. Similarly, educators reported high levels of satisfaction with the child care centres and high levels of work-related well-being regardless of PTS grouping.

Location (Urban vs. Rural)

No differences in impacts or outcomes for PTS educators were reported; however, parents from urban PTSs were slightly more likely than parents from rural PTSs to agree that they considered the educators at the PTS to be professionals.

No differences in family-reported impacts were observed. Parents from urban PTSs were slightly more likely than parents from rural PTSs to think they were paying “too much” for child care; however, only 5% of parents thought they were paying “too much”. Parents from urban PTSs were also slightly more likely than parents from rural PTSs to agree that their child was positively impacted by the quality of child care provided at the PTS.

Operating Model (Non-profit vs. Other PTS)

A few differences were observed in impacts to educators at the PTSs based on the PTS operating model (non-profit or other). Educators from non-profit PTSs were less likely to report that they had noticed an improvement in the quality of child care since implementation of the initiative. These educators were also less likely to report positive impacts to their benefits compared to educators from other PTSs. No significant differences were noted in the median wage of educators between non-profit PTSs and other types of PTSs.

Parents from non-profit PTSs were less likely than parents from PTSs with other operating models to report that they were paying “too much” for child care. Families from PTSs other than non-profit were more likely than families from non-profit PTSs to report positive financial impacts and impacts to family quality of life and well-being.

Care Type (In-Home, IT-intensive, IT-average, Non IT-intensive)

Some impacts reported by educators on the Site Visit 3 (2020) survey differed based on care type. Educators from In-Home PTSs and IT-intensive PTSs were more likely than educators from other PTSs to report an increase in time spent caring for children and preparing and planning classroom activities as a result of the initiative. Educators from In-Home PTSs were most likely to report an increase in the number of hours worked as a result of the initiative (likely due to administrative requirements), but educators from IT-average and Non-IT-intensive PTSs reported working the greatest number of hours each week. Lastly, educators from IT-intensive sites were most likely to report an increase in work-related stress as a result of the PTS initiative.

No differences in impacts to parents were observed based on care type of the PTS but a few differences in terms of affordability and parent satisfaction were observed. Parents from IT-intensive PTSs were most likely to feel they were paying “too much” for child care and least likely to be satisfied with the hours of operation of the PTS compared to parents from other PTSs. Parents from in-home PTSs were

least likely to be satisfied with the overall quality of child care provided at the PTS and least likely to agree that the quality of child care provided at the PTS positively impacted their child compared to parents from other PTSs.

Child Care Quality (Higher Relative Quality, Average Relative Quality, Lower Relative Quality)
Impacts and outcomes were examined by PTS child care quality. It is important to note that lower relative quality does not mean that the quality of child care provided at the PTS was poor. Quality scores for all PTSs were high because the Province only chose high-quality sites to become PTSs.

Educators from higher relative quality PTSs were more likely than educators from other PTSs to report that they noticed improvements in the quality of child care provided at their PTS since implementation of the initiative and that they had noticed positive changes to inclusivity at their PTS. Educators from higher relative quality PTSs reported lower levels of work-related stress and higher levels of well-being compared to educators from other PTSs.

Differences in parent satisfaction, perceptions of staff/educator professionalism, and impacts to children were observed. Parents from lower relative quality PTSs who responded to the Site Visit 3 (2020) survey were less likely than parents from higher quality sites to report that they were satisfied with the quality of care provided by the PTS, that they viewed the educators at the centre as professionals, and that they felt their child was positively impacted by the quality of care provided.

10.1.7 Impact of *Childcare BC Universal Prototype Sites Initiative* on Child Care Quality

As part of the PTS initiative, QI grants were provided to each PTS approximately six months into the initiative. A modest increase in child care quality was observed from Site Visit 1 (2019) to Site Visit 3 (2020) and can be attributed to the provision QI grants. PTSs spent an average of 64% of their QI grant funding by February 2020 (median = 80%). The majority of QI grant funding was spent on the facility (64%), followed by learning resources and toys (23%). There were few differences in quality or quality improvements across different PTS groupings and changes in quality (or quality in general) did not differ by operating cost. In general, in-home PTSs saw the greatest improvements in overall quality ratings compared to all other PTSs.

Parents were satisfied with the quality of child care offered by the PTS and thought that their children were positively impacted by attending the child care programs. Parents noticed positive changes in child care quality over the course of the initiative; they noticed the greatest improvements to the child care facilities, followed by learning and development and communication.

10.1.8 Unintended Impacts of the *Childcare BC Universal Prototype Sites* Initiative

Unintended impacts of the PTS initiative include:

- Decreased accessibility of PTS child care spots.
    - Some parents enrolled their children in care for more days than what they required to ensure they had the flexibility to have affordable child care when they needed it. This possibly explains the lower attendance rates observed at PTSs over the evaluation period. This pattern of behaviour will likely decrease as access to affordable child care is expanded. Parents will be less likely to reserve more days than required when affordable child care is universally accessible.
    - Also potentially due to parent hoarding behaviour, parents sometimes struggled to find an affordable PTS child care spot when their child aged out of the toddler program

because preschool-aged programs that would have previously had vacancies were fully subscribed under the PTS initiative.

- Reduced labour force attachment.
  - Although nearly one-half families (47%[75]) were able to increase their labour force attachment as a result of the PTSs, some parents were able to reduce the number of hours or number of jobs that they worked. While it was anticipated that the PTS initiative would result in increased labour force participation, some parents reported the opposite. The reduction in work hours likely contributed to an increase in family well-being and quality of life; while this was an unintended impact, it should not be viewed as a negative impact.
- Unanticipated challenges reported by PTS ED/Site Supervisors.
  - Monthly reporting requirements were burdensome and more time consuming than what PTSs initially expected (PTS Funding Agreements included an Administrative Top Up payment to address the additional this issue) .
  - There was some initial confusion over eligibility for additional external grant funding.
  - There were some challenges associated with having multiple child care locations under one organization while only one location/centre was a PTS (e.g., ECE WE, concerns about "fairness").
  - There was added cost and time commitment required to produce audited financial statements.
  - Rare occurrences of decreased in-kind support from PTS partners (e.g., increased monthly contribution to facility maintenance or increased rent expenses).
- Inclusion Model Pilot challenges.
  - There was a difficulty recruiting qualified Inclusion Coordinators.
  - In some cases, the Inclusion Pilot Project strained the relationship between PTSs and SCD/ASCD consultants as some consultants felt fearful of losing their jobs and their connections with the children at the sites even though this was never the intention of the Pilot.

10.1.9 AHS Impacts and Outcomes

Families at AHS sites reported positive impacts that they attributed to having their children enrolled in an AHS child care program. Families at AHS sites were more likely than Indigenous families at PTSs to report that the child care program helped to connect their children to the community, and to their culture, traditions, and language. AHS parents were also more likely to report positive impacts to their well-being and quality of life compared to Indigenous parents at PTSs.

Overall, parents were satisfied with the quality of child care provided at the AHS sites and modest improvements in child care quality were observed from Site Visit 1 to Site Visit 3. Use of the LOVIT Way PEP at these centres helped the AHS program ED/Site Supervisors, educators and the community to develop comprehensive action plans to work towards their goals of strengthening the quality of their programs.

[75] This number represents the proportion of families who reported that someone in their household returned to work full-time or part-time as a results of the PTS initiative. This number does not include the small proportion of parents that may have pursued self-employment, started a business, or increased their labour force attachment in other ways.

10.1.10 Inclusion Pilot Project Findings

In general, a strength of the Inclusion Pilot Models was that ECEs gained knowledge and expertise and were better equipped to support children with support needs. The Pilot Models also allowed for better communication between parents and educators compared to communication between parents and SCD/ASCD consultants. Parents felt that having direct access to educators in the child care centre that were developing plans and acquiring resources to support their children resulted in better communication and better relationships compared to previous communication and relationships with SCD/ASCD consultants who did not exclusively work at the child care centre. A limitation to both models was the ability to find ECEs with special-needs certification and expertise or appropriate skills and knowledge on inclusive child care, particularly for the Inclusion Coordinator role. Inclusion Coordinator PTSs benefited from having an Inclusion Coordinator on site. This resulted in a timely response when support needs were identified, as there was no need to wait for support from outside agencies that typically have long waitlists. Educators at these sites also benefited from in-house training and mentoring provided by the Inclusion Coordinator. Inclusion Support PTS ED/Site Supervisors and families felt that a strength of the Inclusion Support model was that the application for funding for a child with support needs was simple and straightforward. However, there were some concerns raised as to whether or not educators had the knowledge and experience to provide support to children with trauma-based and mental health challenges. EDs/Site Supervisors at these PTSs could have benefited from having access to subject matter expertise.

10.2 PTS Operating Cost and Revenue

PTS monthly report data from November 2018 to February 2020 was examined to determine the cost of delivering child care at the PTSs. The median monthly expenditure for all PTSs was $55,945; excluding In-Home PTSs the median monthly expenditure was $60,850. In-Home PTSs were removed from this calculation due to differences in operating costs and because the nature of child care provided at in-home sites compared to centre-based sites is inherently different. PTSs that were located in urban environments and/or operated under models other than non-profit (e.g., private) reported higher median monthly operating costs compared to sites operating in urban environments and/or under a non-profit model.

PTS funding from the Ministry comprised an average of 74% of PTS monthly revenue; the remaining 26% came largely from parent fees. At the end of the evaluation period, PTSs reported an average 2% profit. Twenty-five PTSs reported a deficit and 28 reported a profit. Only seven PTSs reported a loss greater than 15% and 12 PTSs reported a profit greater than 15%, which indicates that 34 PTSs (64%) received an appropriate amount of funding to cover their monthly expenses.

10.3 Social Return On Investment

The structure of the initiative resulted in only modest impacts observed as part of the SROI analysis. The total estimated value of social benefits was $102.94 million. Total SROI ratio was 1.00:2.32, suggesting that every dollar invested in the PTS initiative resulted in approximately $2.32 of social benefit.

10.4 Potential Funding Models and Considerations for Future Expansion of the Low-cost Child Care

Malatest suggests that the Ministry consider adopting one of four potential models. The four proposed models do not take into account parent fees or other revenue (e.g., from grants or fundraising), instead

assuming that 100% of child care operating costs would be covered by Ministry funding. Adjustments can be made to funding amounts when a standard parent fee is determined. The models include:

- Model A – Prototype Initiative Funding Model (Cost Plus Basis Model);
- Model B – Simple Funding Formula;
- Model C – Complex Funding Model; and
- Model D – Comprehensive Proposal Model.

Irrespective of the model selected, expansion of the initiative should consider the follow guiding principles:

1. Continue to make payments to operators rather than to parents to help ensure the financial stability of operators.
2. Implement polices to encourage high levels of space utilization. The PTS initiative was characterized by above-average vacancies and below average attendance. The Ministry could impose penalties for spaces that are not being utilized or a mechanism that would encourage the child care to maintain higher utilization until universal child care is fully realized. Attendance thresholds could be considered until low-cost child care is more accessible; once it is widely available parents will be less likely to purchase space that they are unlikely to use.
3. Parent fee thresholds should balance affordability while promoting system effectiveness so that utilization would more closely match enrolment. A higher parent fee may help reduce the amount of space that is being purchased by parents who are unlikely to use all of the purchased space, which would also enable more parents to access low-cost child care.
4. Improve monitoring to confirm sites adhere to proposal elements (if applicable) and to confirm the accuracy of reporting (e.g., attendance and enrollment).
5. Ensure operators are supported to provide data to the Ministry.
6. Include quality assessment and quality improvement mechanisms such as ECE workforce initiatives into any expansion of affordable child care in B.C. as these are essential elements of an effective child care system.
7. Ensure equity of access to low-cost child care. Some consideration could be given to enhance fairness of how children are selected for enrollment at the PTSs.

System Sustainability

In addition to the Guiding Principles, a few areas of consideration for future expansion of low-cost child care emerged over the course of the evaluation (see 0).

Table 10.2 Considerations for Expansion of Low-cost Child Care

Consideration	Suggestions
Who is eligible for universal child care and where should priority be placed?	• Non-profit child care centres • In-Home and centre-based child care • Which families should be prioritized • Universal flat fee vs. sliding-scale
ECE training and wages	Agreement that there is a lack of ECEs to support a substantial expansion and eventual universal child care. Based on the evaluation findings and literature reviewed, there are likely three reasons that people are not entering, and staying in, the ECE field: • ECE wages, • ECE profile as a profession, and • ECE training.
Accessibility of child care	Agreement that there is a lack of child care spaces to support universal child care.
Standardized curriculum	Implementation of a standardized curriculum or support to child care sites in using the ELF would help to facilitate quality monitoring and ensure high quality care is provided across all funded child care centres.

Appendix A: Prototype Sites

Complete List of Prototype Sites

Prototype Site	Location	Number of Licensed Spaces	Inclusion Pilot Model
Albion Good Beginnings Daycare	Maple Ridge	7	N/A
Alderwood House School	Richmond	35	Inclusion Coordinator
Alexandra Neighbourhood House Children's Centres - Kensington Prairie	Surrey	58	N/A
Baby Steps	Port Alberni	85	N/A
Bee Daycare	Burnaby	8	N/A
Bob and Kay Ackles YMCA Nanook House	Vancouver	37	N/A
Bowen Island Kinderhaus	Bowen Island	7	N/A
BrightPath – Coquitlam	Coquitlam	59	N/A
Burnaby South Childcare	Burnaby	24	N/A
Collingwood Neighbourhood House	Vancouver	49	N/A
Discovery Kids Childcare	Squamish	37	N/A
Elm Drive YMCA Child Care	Chilliwack	37	Inclusion Support
Emma's Early Learning and Care Centre	Vancouver	28	N/A
Esprit Daycare	Gibsons	28	Modified Inclusion Coordinator Model[76]
Fairhaven Children's Centre	Burnaby	37	N/A
Fernwood Neighbourhood Childcare and Fernwood Infant and Toddler Care	Victoria	104	Inclusion Support
First step Daycare Centre	Surrey	37	N/A
Frog Hollow Neighbourhood House's Satellite Daycare	Vancouver	37	N/A
Goldstone Learning Centres	Surrey	8	Inclusion Coordinator
Grandma Marg's Clubhouse	Tofino	8	N/A
Growing Together Daycare	Surrey	32	N/A
Hami's Playhouse Infant & Toddler	Coquitlam	10	N/A
Hastings Park Child Care Centre	Vancouver	44	Inclusion Coordinator
Heritage Park Childcare Centre	Mission	37	N/A

[76] This site was unable to recruit an Inclusion Coordinator, and therefore participated in the Inclusion Pilot Project under a modified model.

Prototype Site	Location	Number of Licensed Spaces	Inclusion Pilot Model
Hornby Island Daycare Society	Hornby Island	16	Inclusion Coordinator
Hummingbird Infant Toddler Centre	Vancouver	24	N/A
Kamloops Child Development Centre	Kamloops	117	N/A
Kermode Friendship Centre and AHS Child Care	Terrace	30	N/A
Kid's Cottage Daycare Society	Coquitlam	63	N/A
Kinderplace OSNS Child and Youth Development Centre Kinderplace	Penticton	64	N/A
Langara Child Development Centre	Vancouver	62	N/A
Lexie's Little Bears Childcare Inc	Victoria	57	N/A
Little Angels Daycare	Burns Lake	30	Inclusion Coordinator
Little Scholars YMCA Child Care	Coquitlam	16	N/A
Little Scholars YMCA Playing to Learn Child Care and Preschool	Kelowna	53	N/A
Maven Lane	Vernon	265	N/A
Maxxine Wright Early Care & Learning Centre (MWECLC)	Surrey	49	N/A
North Shore Neighbourhood House Novaco Daycare	North Vancouver	37	N/A
Nzen'man' Child Care Programs	Lytton	62	N/A
Parkside Academy Somenos	Duncan	124	N/A
Play School Platoon	Grand Forks	8	N/A
Rainbow Country Daycare	Port Hardy	50	N/A
Ritchie Bros. Auctioneers Child Care	Burnaby	67	Inclusion Coordinator
Ruby's Place Family Daycare	Quesnel	7	N/A
Selkirk College Children's Centre	Castlegar	47	N/A
Skeh Baiyoh House of Children – Aboriginal Head Start	Prince George	28	N/A
Snc'c'amala?tn Early Childhood Education Centre	Vernon	52	N/A
Stepping Stones Child Care Centre	Revelstoke	36	Inclusion Coordinator
The Beanstalk Childcare Centre	Houston	60	N/A
The Centre for Child Development Preschool and Child Care	Surrey	57	N/A

Prototype Site	Location	Number of Licensed Spaces	Inclusion Pilot Model
The School House Early Care and Learning Centre	Nelson	54	Inclusion Coordinator
Tigger Too Early Learning Centre	Comox	55	N/A
West Sechelt Tiny Tots Daycare	Sechelt	7	Inclusion Coordinator
Woodwards YMCA Child Care	Vancouver	37	Inclusion Support
YMCA Highland Development Centre	Prince George	84	N/A

Appendix B: Evaluation Framework

Evaluation Framework

[A] Data Source Legend:

Family survey	*FS*	*Literature and document review*	*LDR*	*Quality Assessment of Child Care Sites*	*QA*
Educator Survey	*EDS*	*Admin Data, including Prototype Site Monthly Report*	*Adm*	*Focus Groups with Parents*	*FG*
Partner Survey	*PS*	*Interview with ED or Site Supervisor*	*I-SS*	*Key Informant Interviews with Ministry and Sector partners*	*KII-M &KII-A*

[B] X indicates data source, numbers in brackets indicate site visit associated with data collection

Evaluation Issue	Evaluation Question	Indicators	Data Source [A,B]									
			FS	EDS	PI	LDR	Adm	KII-ED	QA	FG	KII-M	KII-A
Relevance												
Need for the program	What is the nature and level of need for universal child care (UCC) in B.C.?	Average daily cost of licensed child care for children in B.C.				X	X					
		Proportion of children in Prototype Sites who receive subsidies				X	X					
		Perceived need for the Initiative								X	X	X
		Proportion of household income being spent on child care	X (1,3)									
Alignment with government priorities	How does the initiative align with the B.C. government's priorities and goals?	Comparison of UCC initiative goals with the MCFD's Service Plan and Child Care BC Plan				X					X	
	How does the initiative align with the federal government's priorities and goals?	Comparison of UCC initiative goals with B.C.'s Early Learning and Child Agreement				X					X	
Performance (Effectiveness)												
Implementation	Was the initiative implemented as intended?	Feedback regarding implementation of initiative, noting differences between Inclusion Pilot Sites, Aboriginal Head Start, and Prototype Sites	X (1,3)					X (1,3)		X (1)	X	X

Evaluation Issue	Evaluation Question	Indicators	Data Source [A,B]									
			FS	EDS	PI	LDR	Adm	KII-ED	QA	FG	KII-M	KII-A
	What factors facilitated or hindered implementation?	Number of sites who report being prepared for the launch of the initiative			X		X	X (1)			X	
	What are the lessons learned from the implementation that can be used to inform program design, delivery and effectiveness going forward?	Perception of ways to support, increase or improve program design		X (1,2)				X (1,2,3)			X	
		Perception of ways to support, increase or improve efficiency of implementation		X (1,2)				X (1,2,3)			X	
		Perception of ways to support, increase or improve effectiveness of implementation		X (1,2)				X (1,2,3)			X	
	How did collaborations/partnerships support initiative implementation?	Feedback regarding collaboration and partnership			X			X (1,2,3)			X	X
		Number of partnerships secured due to participation in initiative						X (1,2,3)				
		Number of improvements delivered as a result of partnerships						X (1,2,3)				
		Type of improvements delivered as a result of partnerships			X			X (1,2,3)				
		Perception of key sector partners about successes/challenges of partnerships			X			X (1,2,3)			X	X
	Were the quality improvement recommendations implemented as planned?	Feedback regarding implementation of the quality improvement recommendations		X (1,2)				X (3)		X (3)	X	
Impact and Outcome on Children and Families	Did the initiative meet the child care needs of the target group(s)? Have parents/caregivers noticed any changes to the quality of child care since implementation of the initiative?	Proportion of household income being spent on child care	X (1,3)									
		Parent and caregivers report that the initiative meets their child care affordability needs.	X (1,3)									

Evaluation Issue	Evaluation Question	Indicators	Data Source [A,B]									
			FS	EDS	PI	LDR	Adm	KII-ED	QA	FG	KII-M	KII-A
		Parent and caregivers report changes to the types of experiences their child has at the centre since implementation	X (1,3)							X (1,3)		
		Parent and caregivers report changes to interactions between centre staff and their children	X (1,3)							X (1,3)		
		Parent and caregivers report initiative meets their child care quality needs	X (1,3)									
	Are there target groups whose needs remain unmet?	Perceptions of groups with unmet meets				X		X (3)	X (3)	X (1,3)	X	X
	Are any changes needed to improve the child care centre?	Feedback regarding child care centre improvements	X (1,3)					X (1,2,3)	X (1,3)	X (1,3)	X	X
	How has the initiative impacted family/child psychosocial well-being?	Changes to disposable income	X (1,3)							X (3)		
		Changes to labour force participation or earning potential for families	X (1,3)							X (3)		
		Changes to labour distribution in the household	X (1,3)							X (3)		
		Changes to savings or debt	X (1,3)							X (3)		
		Changes to family spending behaviours (e.g., spending on extracurricular activities or schooling, housing stability, better quality housing before implementation of universal child care versus after implementation of universal child care)	X (1,3)							X (3)		

Evaluation Issue	Evaluation Question	Indicators	Data Source [A,B]									
			FS	EDS	PI	LDR	Adm	KII-ED	QA	FG	KII-M	KII-A
		Changes to connection to community (including tradition, language, and general feelings of being part of a community)	X (1,3)							X(3)		
		Changes to parent/caregiver education	X (1,3)									
		Changes to family quality of life	X (1,3)							X (3)		
		Changes to family health and relationships/connectedness	X (1,3)							X (3)		
		Changes to use of government social programs after initiative implementation?	X (1,3)									
		Changes to use of community programs/supports, after initiative implementation?	X (1,3)									
		Changes in enrollment in optional services at the child care centre (i.e., paying for lunch to be provided)	X (1,3)				X	X				
	Were there any unintended (positive or negative) outcomes resulting from the initiative?	Perceptions of unintended positive outcomes						X		X (3)		
		Perceptions of unintended negative outcomes						X		X (3)		
Impact and Outcome on Prototype Sites	Did the implementation of the initiative impact accessibility of child care at Prototype Sites	Changes to number spaces					X	X (1,2,3)				
		Changes to access for children with support needs	X (1,3)				X	X (1,2,3)				
		Changes to enrollment					X	X (1,2,3)				

Evaluation Issue	Evaluation Question	Indicators	Data Source [A,B]									
			FS	EDS	PI	LDR	Adm	KII-ED	QA	FG	KII-M	KII-A
		Changes to waitlist lengths					X	X (1,2,3)				
		Changes to centre hours					X	X (1,2,3)				
	Did the implementation of the initiative impact affordability of child care for families at Prototype Sites?	Average cost of child care to families (as a proportion of annual household income)	X(1,3)				X					
	Did the implementation of the initiative impact the quality of child care at Prototype Sites?	Changes to quality of child care	X (1,3)	X (1,2)				X (1,2,3)	X (1,3)	X (1,3)	X	X
	What other impacts has the initiative had on Prototype Sites?	Capital improvements					X	X (1,2,3)	X (1,3)			
		Changes to staffing (retention, training, credentials/certification)		X (1,2)			X	X (1,2,3)				
		Changes to resources for children (e.g., toys, books, etc.)						X (1,2,3)	X (3)			
		Changes to curriculum or child care approaches						X (1,2,3)	X (3)			
		Other changes reported by Prototype Sites						X (1,2,3)	X (3)			
	Did the implementation of the initiative impact the inclusivity of child care at Prototype Sites?	Proportion of children enrolled with support needs					X					
		Proportion of children with support needs who receive the services they require	X (1,3)					X (1,2,3)				
		Feedback regarding changes to inclusivity of child care at Prototype Sites	X (1,3)	X (1,2)				X (1,2,3)			X	X

Evaluation Issue	Evaluation Question	Indicators	Data Source [A,B]									
			FS	EDS	PI	LDR	Adm	KII-ED	QA	FG	KII-M	KII-A
	Did staff at Prototype Sites report any changes to economic security or wellbeing as a result of the initiative?	Changes to staff income not related to the B.C. government ECE wage increase		X (1,2)			X	X (1,2,3)				
		Changes to employment stability		X (1,2)			X	X (1,2,3)				
		Changes to employment hours		X (1,2)			X	X (1,2,3)				
		Changes to staff well-being (e.g., burnout and stress)		X (1,2)				X (1,2,3)				
	Were there any unintended (positive or negative) outcomes resulting from the initiative?	Leveraging of resources						X (1,2,3)				X
		Positive outcomes		X (1,2)				X (1,2,3)				X
		Negative outcomes		X (1,2)				X (1,2,3)				X
Prototype Site Comparison	What are the strengths and limitations of the funding model at the Prototype Sites?	Funding model strengths					X	X (1,2,3)	X (1,3)		X	
	Do strengths and limitations vary by child care site/type (private, non-profit, public); license type; community type (rural/urban)?	Funding model weaknesses					X	X (1,2,3)	X (1,3)		X	
Inclusion Pilot Sites												
Inclusion Model Site Comparison	What are the strengths and limitations of each Inclusion Pilot model?	Inclusion Pilot model strengths					X	X (1,2,3)		X (3)	X	X

Evaluation Issue	Evaluation Question	Indicators	Data Source [A,B]									
			FS	EDS	PI	LDR	Adm	KII-ED	QA	FG	KII-M	KII-A
	Do strengths and limitations vary by child care site/type (private for profit, not-profit, public); license type; community type (rural/urban)?	Inclusion Pilot model limitations					X	X (1,2,3)		x (3)	X	X
	For Prototype Sites who were invited to participate in the Inclusion Pilot but declined, what factors contributed to their decision not to participate?	Reasons for declining					X	X (1)			X	
Performance (Economy and Efficiency)												
Demonstration of efficiency and economy	What is the cost of service delivery for universal child care by region and by type?	Monthly budgets, staff wages and benefits, and program development					X	X (1,2,3)				
	Did the current funding model result in good value for money?	Feedback regarding level of profit/excess funding built into contracts					X				X	
	How could service delivery be more efficient (in terms of cost or resource use)?	Recommendations to improve efficiency						X (1,2,3)			X	X
	What are the lessons learned from the implementation that can be used to inform future investments going forward?	Perception of ways to support, increase or improve future investment						X (1,2,3)			X	X
	Did the initiative have an effect on in-kind contributions or leveraging of funds?	Changes to community partnerships			x			X (1,2,3)				
		Changes to prototype site fundraising					X	X (1,2,3)				
Sustainability												

Evaluation Issue	Evaluation Question	Indicators	Data Source [A,B]									
			FS	EDS	PI	LDR	Adm	KII-ED	QA	FG	KII-M	KII-A
Sustainability	What factors support or hinder sustainability of the initiative?	Perceptions of factors that support Initiative sustainability						X (1,2,3)			X	X
		Perceptions of factors that hinder Initiative sustainability						X (1,2,3)			X	
		Perceptions of prototype site fee structure sustainability						X (1,2,3)				X
	What funding formula should be used in 2020 and beyond at Prototype Sites?	Comparison of funding models from other jurisdictions				X					X	
	What funding formula should be used for province-wide universal child care?	Comparison of funding models from other jurisdictions				X					X	
	What core services should government pay for when providing universal child care?	Comparison of funding models from other jurisdictions				X					X	
		Feedback from Prototype Site Evaluations				X	X	X	X		X	X

[A] Data Source Legend:

Family survey	*FS*	*Literature and document review*	*LDR*	*Quality Assessment of Child Care Sites*	*QA*
Educator Survey	*EDS*	*Admin Data, including Prototype Site Monthly Report*	*Adm*	*Focus Groups with Parents*	*FG*
Partner Survey	*PS*	*Interview with ED or Site Supervisor*	*I-SS*	*Key Informant Interviews with Ministry and Sector partners*	*KII-M &KII-A*

[B] X indicates data source, numbers in brackets indicate site visit associated with data collection

Appendix C: Jurisdictional Scan- Child Care Funding Models

Jurisdictional Scan- Child Care Funding Models

Summarized below are the findings from a jurisdictional scan of child care funding models. Affordable child care programs and universal child care models from Canadian provinces and international jurisdictions were reviewed.

A. Canadian Provinces

Alberta

During the $10 million pilot program that ran from 2017 to 2019, 2,020 new licensed child care spaces were created across Early Learning and Child Care (ELCC) centres in Alberta; 1,207 were in urban locations and 813 were in rural areas. There was a focus on the creation of new spaces in rural locations in response to accessibility challenges reported in these areas. Centres that were interested in becoming ELCC centres under the pilot program submitted a proposal that provided information on site size and unique characteristics. Proposals also included a list of activities that the centre would implement to improve the accessibility, affordability, and quality of child care if they were to be selected as ELCC centres. These proposals were evaluated on the basis of accessibility, affordability, quality, improvements, and operational preparedness on a standardized scale. Selected ELCC centres received funding for up to three years through a grant agreement which required reporting at the end of each quarter.

Parent fees were capped at $25 per day. Job creation and space accessibility were both priorities under the ELCC initiative with the goal of better meeting the demand for child care in Alberta. Parental contributions were in the form of flat fees and parents did not have to meet any activity requirements.[77]

Manitoba

Subsidized base funding is provided directly to eligible, non-profit, licensed child care centres to cover operating costs. From 2000 to 2014, Manitoba nearly tripled its funding to $147 million annually, creating 12,600 spaces (an 80% increase). The Province is committed to building more than 100 new child care centres, increasing ECE wages by nearly 60%, providing a pension plan to workers, and introducing enhanced quality programming. This programming is made available to providers in a *Best Practices Licensing Manual*. The quality of the program and other licensing requirements are evaluated on an annual basis under *The Community Child Care Standards Act*.

The Province sets maximum child care fees for all funded centres; there are no fee caps for non-funded, private child care centres. At funded centres, maximum fees are based on the age of the child, whether care is provided at an In-Home child care or centre-based child care facility, and whether the child attends for a half day (less than four hours), full day (4 to 10 hours), or extended day (more than 10 hours). Parent fees range from approximately $6 to $45 per day, and parents who qualify for the Child Care Subsidy program pay reduced fees. Parent subsidy is based on income, the number and age of children, the number of days required for care, and the reasons for care.[78,79]

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[77] https://www.alberta.ca/early-learning-child-care-centres.aspx
[78] https://www.policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2020/03/In%20progress_Child%20care%20fees%20in%20Canada%20in%202019_march12.pdf
[79] https://www.gov.mb.ca/fs/childcare/families/childcare_subsidies.html

Prince Edward Island

Each subsidized child care centre in P.E.I, called an Early Years Centre, receives quarterly base funding to cover the centre's expenses. Early Years Centres have parent fees set by the Province and families can access additional child care subsidy to help cover the cost of child care. Daily parent fees are capped at $170 per week ($32/day) for children under 22 months, $140 per week ($26/day) for children 22 months to three years old, and $135 per week ($25/day) for children three years old to school entry. Depending on annual household income, parents could pay $0 for child care, a portion of the child care fees, or full child care fees. Parents' eligibility for the subsidy is based primarily on income and fees are determined on an income-tested sliding scale. The Province also maintains a central child care registry/waitlist for Early Years Centres. Parents register on a single waitlist and are given a spot at an Early Years Centre when one becomes available.[80]

Quebec[81]

Beginning in 1997, Quebec began transitioning to a universal child care system. Funded, non-profit, licensed child care centres are called Centres de la Petite Enfance (CPE; early childhood centres). Private licensed child care centres are called Garderies and can be funded or unfunded; though, Garderies are primarily un-funded and parents pay full child care fees rather than the reduced rate set by the Province for all funded centres. Prior to 2012, both non-profit and private centres were eligible for funding. Private centres that were receiving government funding prior to 2012 continued to receive funding, however no new private centres were accepted into the program between 2012 and 2020. In 2021, 3,500 child care spaces at private centres will be converted to funded, low-cost centres.

Since its introduction, the subsidized childcare system was rolled out gradually to children of different age groups (0 to 5 years of age). In September 1997, children four years of age were the only ones eligible for low-cost subsidized childcare (initially $5/day, in 2020 $8.35/day). Eligibility was extended in subsequent years, to include children three years of age in September 1998, to include children two years of age in September 1999, and finally to include children under two years of age in 2000. According to representatives of the Ministry, the choice of a gradual rollout of the new childcare system reflected the Ministry's precaution of not changing the entire system at once.

Direct funding is provided to eligible child care centres in the form of a basic allowance for direct services (remuneration of early childhood educators, education, and recreational materials); auxiliary services (meal plans, housekeeping expenses); administrative services (management, administrative staff); and the cost of occupying the premises (rent or mortgage). Factors determining the amount of basic allowance that centres have access to are as follows: annualized number of subsidized spaces (how many subsidized spaces does the centre have?); annual occupancy rate (are the spaces utilized?); annual attendance rate (what proportion of the time are those who occupy spaces absent?); and the number of weighted occupancy days (how many days per year are spaces occupied, weighted more heavily for infants and toddlers?). Eligible child care centres submit a proposal and budget that is reviewed by the government. If deemed acceptable the centre received funding to cover their operating costs and charges families a set, affordable daily fee. The amount of funding that a centre receives and uses in a given fiscal year affects what they receive the following year. For example, if a centre has funding left over at the end

[80] https://www.childcarecanada.org/sites/default/files/ECEC-in-Canada-2016.pdf
[81] Information regarding Quebec's child care system is based on interviews with Quebec government representatives and child care sector partners (n=5).

of a fiscal year, their funding will be reduced the following year. Centres receive half of their funding at the beginning of the fiscal year and the remainder is paid out halfway through the year with some adjustments; centres will not necessarily receive the stated amount at the beginning of the year if the number of spaces, occupancy rates, attendance rates, or other factors changes significantly.

All parent fees are paid directly to the child care centre and parents may be eligible for additional subsidy when taxes are submitted. Child care fees are set at $8.35 per day as of 2020. At one point Quebec set fees on a sliding-scale but that is not longer the case: if family income was greater than or equal to $76,380, parental contribution increased at a rate of $0.15 per day for every $1,000 of family income until it reached $21.20 per day at the maximum daily rate (for families with a household income greater than or equal to $161,380). Families who have children enrolled at private centres are eligible for additional child care subsidy (in the form of a tax credit) based on their income; subsidy ranges from 26% to 75% of qualifying childcare expenses. Parents at private centres must meet certain activity requirements to qualify for the subsidy. For example, at least one parent must be involved in an approved activity such as employment, business, education, research funded by a grant, or maternity/parental leave. Families who have children with support needs are eligible for a higher rate of tax credits than those without support needs.

Quebec maintains a central child care registry called La Place 0-5. Since September 1, 2018, membership in the central registry is mandatory for all child care service providers, including CPEs, Garderies, and In-Home childcare service providers. Service providers can advertise their services, including whether, for instance, they offer extended care hours, or welcome children with support needs. The central registry is also a waitlist management tool for service providers, in line with their respective admission priorities.

Parents can register to the central registry to find out about services offered and availability of child care spaces at all recognized child care providers. Parents interested in facility-based childcare services can put their child's name on their waitlist; and the service providers will contact parents when a space becomes available. Parents interested in In-Home childcare services have access, through the central registry, to contact details of service providers who wish to be contacted; and can contact them for further details or registering their child.

B. International Jurisdictions

Below are examples of child care initiatives in other jurisdictions outside of Canada. All currency in these sections is in Canadian dollars, converted from the local foreign currency to Canadian currency for ease of comparison and understanding.

Australia

Grants are given to child care centres to support disadvantaged communities, increase sustainability, and provide capital/operational support. The Australian government committed $102 million to their Community Child Care Fund. Australia is committed to providing high-quality child care. The government encourages high-quality child care by providing all child care operators with an official Child Care Provider Handbook written for Early Learning and Child Care providers. The handbook provides information to centres on being approved for subsidy and meeting quality requirements that are described in the National Quality Framework (NQF) and measured through the National Quality Standard Assessment and Rating Instrument. The following domains are measured with this instrument: educational program and practice, children's health and safety, physical environment, staffing arrangements, relationships with

children, collaborative partnerships with families and communities, and governance and leadership. Evaluations are done by authorized officers and scores are made publicly available to ensure accountability in the quality at their centres.[82]

A child care subsidy can be claimed for approved child care (resembling licensed child care in Canada). Families earning up to $69,390 have 85% of their child care costs subsidized. Subsidy amount decreases based on household income (see Table B1) In order to qualify for the subsidy, parents must meet certain activity requirements. Areas such as employment, self-employment, business, education, and volunteering are specified as activity requirements. All parents must be engaged in approved activities for at least four hours per week to qualify for subsidy.

Table B1. Australia's Child Care Subsidy Program: Income and Coverage

Family Income	Child Care Subsidy Percentage
Less than $69,390	85%
>$69,390 to <$174,390	Between 85% and 50% Reduction of 1% for every $3,000 of family income
$174,390 to <$253,680	50%
$253,680 to <$343,680	Between 50% and 20% Reduces by 1% for every $3,000 of family income
$343,680 to <$353,680	20%
$353,680 or more	0%

Source: https://www.servicesaustralia.gov.au/individuals/services/centrelink/child-care-subsidy/how-much-you-can-get/your-income-can-affect-it

England

In England, all families with three to four-year-olds are entitled to 15 hours of free child care per week (up to 38 weeks per year), as long as the care is provided at an approved child care centre (i.e., registered childminder, nanny, school, or home child care provider). Families with household incomes below approximately $175,000 can apply for an additional 15 hours of free child care per week, for a total of 30 hours of free child care per week for their three to four-year olds. Parent must be working or in school to qualify for either 15 or 30 hours of free child care.[83]

Working families who are eligible for the Working Tax Credit can recover up to 70% of their child care costs. Families who are eligible for Universal Credit can recover up to 85% of their child care costs. Alternatively, working families may also be eligible for tax-free child care or child care vouchers. Families are eligible for one type of subsidy only; for example, a family cannot recover child care expenses under the Working Tax Credit and also receive tax-free child care. The Government has developed a

[82] https://www.acecqa.gov.au/nqf/
[83] https://www.gov.uk/30-hours-free-childcare

tool/calculator to help families determine which subsidy or child care fee reduction program would be most beneficial to them.[84]

Denmark

All children in Denmark are guaranteed a spot in a child care facility. Municipalities take different steps to ensure there are enough child care spaces for families with children older than 30 weeks. Parent fees are set annually by municipalities that are required to fund child care providers so that parents pay no more than 30% of the actual operating cost. Most children aged three- to five- years attend public kindergartens that have professionally trained staff. The focus of the kindergartens is on stimulating social, linguistic and democratic skills through play. Kindergartens provide up to 48 hours of care, operating from 6:30 a.m. till 5:00 p.m. except on Friday's when they close at 4:00 p.m.[85] Educators' wages have been an area of focus in Denmark's funding model with salary ranges begin revised annually. Despite the attention paid to educator wages, most are below the national average salary[86].

Parent contributions are made in the form of sliding scale fees depending on household income and municipality. If annual household income is greater than $117,804, parents pay full fees. Parent fee contributions decrease as household income decreases and amounts may vary depending is set by the local authority in the municipality (see Table B2). A sibling subsidy is available where the parent pays for the most expensive childcare and only 50% of the cost for a second child, whether at the same childcare or not. An example of child care services available in Copenhagen and their basic cost are provided in Table B3.

Table B2. Denmark's Child Care ("Free Place") Subsidy Program: Income and Coverage

Family Income	Subsidy Coverage
$37,925 or less	100%
$37,926 to $117,804	1% to 99% depending on household income
>$117,804	None

Source: https://international.kk.dk/artikel/cost-childcare-services
Note: subsidy amounts assume a 2-parent household and full-time childcare

An example of child care services available in Copenhagen and their basic cost are provided in Table B3.

[84] https://fullfact.org/education/childcare-costs-england/
[8585] https://www.workindenmark.dk/Moving-to-DK/Bring-your-family/Childcare-in-Denmark#:~:text=For%20children%20below%20the%20age,care%20(Danish%3A%20dagpleje).&text=Childcare%20facilities%20receive%20financial%20support,percent%20of%20the%20actual%20cost.
[86] https://stats.oecd.org/Index.aspx?DataSetCode=AV_AN_WAGE

Table B3. Copenhagen Child Care Services: Types, Coverage and Basic Cost

Types of Childcare	Public/Private	Year of Age	Price (CDN per month)
Nursery*	Public	0 to 3	$780 with lunch $645 without lunch
Daycare	Public	0 to 3	$690 with lunch
Daycare	Private	0 to 3	$690 with lunch
Private Childminder	Private	0 to 6	$145-$445 according to the childcare cost, the number of hours of care and the age of the child
Kindergarten*	Public	3 to 6	$515 with lunch $370 without lunch
Part-time Kindergarten	Public	3 to 6	$420 with lunch

*Subsidies available for night nursery/kindergarten and week-end care.
Source: https://international.kk.dk/artikel/cost-childcare-services

Netherlands

Between 2005 and 2009, the government increased public spending on child care and reduced parent fees by up to 50%. Parents working in the Netherlands are entitled to the Childcare Allowance for all children under the age of 12. Under the Childcare Allowance, parents pay child care fees on a sliding-scale and could have fees reduced by up to 94% based on household income and the number of children under the age of 12. In 2018, the maximum hourly rate was $12/hr for day nurseries, $11/hr for out-of-school care, and $9/hr for childcare by registered childminders.[87,88]

Norway

From 2000-2013, Norway nearly tripled the amount of funding that the government invests in child care, from 0.5% GDP to 1.4% GDP. The government funds both public and private child care centres so that parent fees cover no more than 15% of child care centres' operating costs while government investment and public grants cover approximately 85% of child care centres' operating costs. Parent fees are determined on a sliding-scale based on household income. As of 2012, fees were capped at $480 per month. Low-income families do not pay more than 6% of their household income for their first child in child care. Parents must meet certain activity requirements in order to be eligible for reduced fees; for example, parents must be working or in school and may have to complete a Norwegian language course in certain circumstances.[89]

[87] https://www.expatica.com/nl/living/family/childcare-in-the-netherlands-102203/
[88] https://www.belastingdienst.nl/wps/wcm/connect/bldcontenten/belastingdienst/individuals/benefits/moving_to_the_netherlands/my_child_goes_to_a_childcare_centre/
[89] http://www.oecd.org/norway/Early-Childhood-Education-and-Care-Policy-Review-Norway.pdf

Sweden

The early learning system in Sweden, known as Educare, is often considered the gold standard in terms of an early childhood education and care system and includes a national learning curriculum that was first implemented in 1998. Educare strives to provide accessible, affordable, and high quality child care with a focus on encouraging gender equality in terms of labour force participation. Over the past 30 years that universal child care has been in place, funding has regularly been allocated towards improving curriculum tools and pedagogical narration. Child care centres must meet certain requirements to receive full funding. Annual quality reports and pedagogical documentation is evaluated by the Swedish Schools Inspectorate which ensures that centres are operating within the established Educare curriculum. Centres typically operate between 6:30 a.m. and 6:30 p.m.; many with extended hours for shift workers including nights and weekends.

Families with three to five years old are entitled to 525 hours of free child care per year. Families with children younger than three or older than five years, pay child care fees on a sliding-scale that is based on their household income (see Table B4).[90]

Table B4. Sweden's' Child Care Subsidy Program: Income and Coverage

Number of Children	Child's Age	Hours of Care	Child Care Subsidy Percentage
N/A	3 to 5 years	525 hours	100%
First child	3 to 5 years	>525 hours	3% of family income up to a maximum of $209/month
	Less than 3 years	All hours	3% of family income up to a maximum of $209/month
Second child	3 to 5 years	>525 hours	2% of family income up to a maximum of $140
	Less than 3 years	All hours	2% of family income up to a maximum of $140
Third child	3 to 5 years	>525 hours	1% of child care fees up to a maximum of $70/month
	Less than 3 years	All hours	1% of child care fees up to a maximum of $70/month
Fourth child or more	Less than 6 years	All hours	100%

Source: https://familyandjob.eu/childcare-in-europe/sweden/

[90] https://familyandjob.eu/childcare-in-europe/sweden/

New Zealand

The Ministry of Education provides the majority of supply-side funding, covering approximately 85% of basic operating costs for early childhood programs, with the balance made up though nominal parent fees and fundraising. Additional funding, in the form of special incentive grants is available for child care programs that have demonstrated that they are high-quality and/or have demonstrated improved quality. To support high-quality child care, the Ministry of Education consulted with stakeholders involved in Early Childhood Education and Care (ECEC) and created a unified curriculum which is interwoven into a national early childhood education framework. Quality is regularly assessed by the Education Review Office which focuses on the following areas: emotional safety, physical safety, hygiene, suitable staffing, evacuation procedures and practices in case of a fire or earthquake. Based on the scores on these assessments, centres may qualify for additional special incentive grants. [91]

Parents receive 20 hours of free child care per week for children aged three to four years for the following services: teacher-led services such as licensed preschools, in-home service, and Te Kōhanga Reo[92]. These 20 hours per week can be split between any of these services.[93] A variety of child care subsidies are available to parents who exceed the weekly allowance of 20 hours of free child care[94] (See Table B5).

Table B5. New Zealand's Child Care Subsidy Program: Income and Coverage

Program	Details
Childcare Subsidy	• Working parents are eligible for up to 50 hours of subsidized child care per week. • Non-working parents are eligible for up to 9 hours of subsidized child care per week. • Subsidy rates range from $1.62 to $5.22 and are based on household income/
Guaranteed Child Care Assistance Program	• Young parents, under the age of 19, may be eligible for up to 50 hours of subsidized child care per week. • Parent fees are capped at $6/hr or $300/week

Flexible Childcare Payment	• Eligible parents receive $50 to $150 per week to help with child care costs for up to 26 weeks.
	  ○ 1 child: $50/week
	  ○ 2 children: $75/week
	  ○ 3 children: $100/week
	  ○ 4 children: $125/week
	  ○ 5 or more children: $150/week

Source: https://www.workandincome.govt.nz/documents/providers/types-of-childcare-a3-poster.pdf

[91] http://www.cccabc.bc.ca/cccabcdocs/governance/ggcc_nzmodel.pdf
[92] Te Kōhanga Reo refers to a service that is an extension of a Māori initiative where elders meet with preschool-aged children to instruct them in the model of whānau development.
[93] https://www.govt.nz/browse/education/help-paying-for-early-childhood-education/
[94] https://www.workandincome.govt.nz/documents/providers/types-of-childcare-a3-poster.pdf

Japan

In 2019, the Japanese government began providing free child care (preschool) for all children aged three to five years. Low-income families with children under the age of three also qualify for free child care. Since 2015, Japan has invested $9.3 billion to increase the number of child care centres by 7%, subsidizing 1,655 centres. Centres must meet licensing requirements specified by their funding model in order to qualify for the subsidy program but once they are licensed, their operating costs are fully covered. The government directly funds subsidized child care centres at a rate of $444 per spot. Parent contributions (for families who do not qualify for, or exceed, 15-30 hours of free child care per week) are made in the form of a sliding-scale, based on income and range from approximately $250 to $375 per month. [95, 96]

[95] https://thesector.com.au/2019/04/10/japan-to-offer-free-preschool-for-children-aged-3-to-5-years/
[96] https://www.nippon.com/en/in-depth/d00489/japan%E2%80%99s-free-childcare-program-no-panacea-for-daycare-waitlists.html