



National Association of Community Based Children's Services

NACBCS POLICY PAPER

COMMUNITY OWNERSHIP IN THE 21ST CENTURY

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ABSTRACT

Federal Government policy has created a free market in children's services. In long day care, commercial services are proliferating along side a shrinking community-owned sector; commercial providers are now moving into the provision of outside school hours care and family day care. How relevant is the distinction between commercial and community owned services in the 21st century? And why does it matter anyway?

This paper examines the rationale for community ownership in children's services, tracing where it came from and its continuing role in building communities and developing social capital through active engagement of the community in decision making.

INTRODUCTION

This paper addresses a significant issue of policy and practice in early childhood services – the issue of the relevance of community owned and managed children's services. The paper will discuss the broad principles of community ownership and the rationale for its continuing contribution in the 21st century.

Understandings of community ownership and community management are many and varied – is it parent management committees? Or is it services which focus on meeting the needs of local families? Is it about community involvement? Or is it some airy fairy notion of the 'loony left' that should have died years ago?

For this paper to be useful in the debate about the relevance of community ownership in children's services in the 21st century, it is important at the outset to define 'community ownership'.

Some Definitions

Community owned children's services are owned by community groups or organisations, rather than by individuals. They are run on a not for profit, break-even basis by voluntary parent and community committees of management, local government, church groups or tertiary institutions.

Any operating surplus is directed back to the service. There are no owners, directors or shareholders requiring a financial return on an investment.

It is our contention that community owned children's services, be they parent run, or run by a non-profit organisation, have unique features which enable them to contribute to community building and social capital in a way which commercial services can never do.

We know that this is a controversial view. We acknowledge that commercial services can also make a contribution to the communities in which they operate. However, we believe that this contribution is fundamentally different.

One way to characterise the similarities and differences between these two service types is:

Both service types strive to provide **quality care for children**. Commercial services also bring **private financial capital** into children's services. Community services also develop **social capital** (in addition to acting as custodians of public/ community financial capital).

Social capital is an important concept. Eva Cox in her ground breaking Boyer lectures on the Civil Society used the phrase 'social capital' in order to assist with recognition, measurement and valuing of the social in addition to the more traditional concepts of financial capital (money), physical capital (physical resources) and human capital (people skills and knowledge). She defines social capital as:

... the processes between people which establish networks, norms, social trust and facilitate co-ordination and co-operation for mutual benefit.
(Eva Cox second Boyer Lecture 'Raising Social Capital')

Certainly the social contact and networking that commercial child care services provide can make a contribution to social capital especially in establishing social networks. However we argue that community owned services provide a unique vehicle for the development of the deeper features of social capital - 'co-ordination and co-operation for mutual benefit'.

Community Owned services empower families through genuine partnership, to advocate on behalf of their children and their children's services. Rather than passive consumers, parents are able to actively participate in the care and education of their children. It is a model in which professionals are "on tap, not on top". (Brennan 1994)

Fundamental to community owned services is the active involvement of parents in the care and education of their child, not just as consumers but as high level decision makers thus developing a true partnership in the care and education of their children.

So the distinguishing features of community owned children's services are:

- **empowerment** i.e. genuine sharing of power between service users, manager and service providers
- **inclusion** i.e. work to respond to needs of everyone, including hard-to-service groups such as refugees, people on low incomes and geographically isolated families
- **integration** with other community services i.e. operating as part of community infrastructure
- **not for personal profit**

This definition of community ownership is self-evident and non-controversial to those of us from the community sector. But for commercial services, this has always been a contested question.

The objections appear to be mainly to the claim that the main motivation of commercial child care services is the generation of profit. This reflects debates that have been going on for

over 20 years. A letter to the editor of the Community Child Care newsletter *Ripple* in 1980 from the national peak body for commercial child care services asserted that these services are not, in fact, commercial. The letter describes the long hours of work and low rates of pay for owner-operators of child care services, and also states that many 'independent' services run at a loss.

Further the letter challenged the assertion by Community Child Care that independent centres provide few opportunities for parents to develop mutual support networks. The letter goes on to refer to the opportunities that independent child care services provide for parents to meet socially and to participate in dinners, wine and cheese tastings, barbecues and picnics. It closes with a reference to a survey at one centre which revealed that some parents deliberately avoid community owned child care because they do not want to be actively involved in the service.

NACBCS does not contest these claims. We agree that all children's services bring families together naturally and contribute to social support networks. We also accept that not all parents are seeking the community and political involvement offered by community owned services. However we do claim that some parents clearly do want to participate in the management of their child's care and education, or want to know that other like-minded parents are doing this on behalf of all families using a service. Further we assert that this participation in the ownership and running of a service is fundamentally different to purely social participation - attending a dinner may be the first step to participation in management, but it is not equivalent.

So we repeat our belief that community owned children's services, be they parent run, or run by a non-profit organisation, have unique features which enable them to contribute to community building and social capital in a way which commercial services can never do.

In arguing this position, it is useful to place community ownership in its historical context.

THE HISTORY OF COMMUNITY OWNED CHILDREN'S SERVICES

From the turn of the 20th century children's services were provided by not-for-profit community groups. However these groups operated from a philanthropic perspective i.e. crèches and kindergartens were run by privileged women to 'rescue' the disadvantaged. So while they displayed some features of the community ownership model, they did not 'empower' the families who used the services.

Change came in the 1970s with the emergence of social movements for liberation and empowerment. The women's movement developed community-owned service models with 'professionals on tap, not on top'; services run by parents for local families.

In 1977 the Victorian Branch of NACBCS, Community Child Care proudly declared in its regular publication that '... services for families with young children ... have the capacity to generate networks and develop communities out of localities (*Ripple* no. 11 Dec. 1977 p.1).

So right from the start community owned child care was about building communities through the provision of care for children.

The community owned child care sector grew out of, and was informed by the movements for social change through self-help, collectivism and community development. The principles of these social movements include:

- the activities and priorities of the group are controlled by those directly affected

- people coming together voluntarily in jointly-owned and democratically-controlled enterprises

Commercial, or 'independent' child care services also operated throughout this period but without government funding. They have never claimed to be established for the purpose of social change.

Community ownership was the dominant service model until the 1980s when commercial operators started to expand into a wide range of community services including health care and aged care and then, with the help of specific government policies, commercial provision of children's services expanded. While the community owned services continued to exist they became the minority of service providers.

This profound change in the nature of the children's services sector occurred as a result of a conscious and deliberate policy change at the national level. National Competition Policy (NCP) was established on the presumption is that competitive markets bring benefits in greater efficiency in resource use. The principles of social change through community development were abandoned and the concepts of social capital and community building had not yet emerged.

Now in the early years of the 21st century, a further change is emerging across the children's services sector as we see the growth of commercial corporate child care chains publicly listed on the stock exchange. But still, community owned services exist in various forms and continue to contribute to social capital.

This survival of the community owned sector is not accidental. It has occurred as a result of two key factors:

- the hard work of people who believe passionately in empowerment, self-help, collectivism and community development
- some sympathetic government policy

Even National Competition Policy recognises a need for government intervention in markets, where this is justified' on the basis of public interest, balancing social and environmental objectives equally with economic objectives (from the NCC web site).

In response to the challenge of NCP that the public interest must be explicitly and clearly defined community development has evolved into notions of social capital and community capacity building. The pendulum has swung back and now governments of all colours recognise that strong communities are essential for a health society.

Conclusion

Commercial child care services argue that they too contribute to communities through their service delivery. We do not believe, however, that they see themselves as working for social change. Commercial services will not, nor could they be expected to, devolve decision-making power to the parents and the community they serve. They cannot, nor should they be expected to operate within the principles of social change through empowerment, self-help and collectivism. Community owned services are unique in their capacity to develop social capital.

Thus we believe that community owned children's services, be they parent run, or run by a not for profit organisation, have unique features which enable them to contribute to community building and social capital in a way which commercial services can never do.

This has important implications for government policy. Given this understanding of the crucial role of community owned children's services, NACBCS make the following demand of government:

- one community owned and managed early childhood service, offering a full range of care and developmental opportunities, for every 800 children under the age of 5 years funded to enable the volunteer committees of management to undertake their obligations related to community building, family strengthening and community participation (NACBCS 2001).

References:

Brennan, D. (1998) *The Politics of Australian Child Care - Philanthropy to Feminism and Beyond* Cambridge University Press, Cambridge UK

NACBCS (2001) *A National Policy for Australia – 2001 and Beyond*, Melbourne, Australia