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Ms. Raymonde Folco

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•(1105)

[*Translation*]

The Chair (Ms. Raymonde Folco (Laval—Les Îles, Lib.)): The Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities is holding its fifteenth meeting on Thursday, February 3. In compliance with section 108(2) of the Regulations, we are reviewing the issue of child care from the standpoint of the OECD Thematic Reviews for Early Childhood Education and Care.

First of all, I would like to welcome Mr. John Bennett, the Director of Education, the Project Manager for Early Childhood Reviews, in the Education and Training Policy Division, as well as Mr. Abrar Hasan, the Chief of the OECD Education and Training Policy Division. Welcome to Ottawa. We would have liked to have been with you in Paris, but the twenty-first century makes life much easier, although rather less pleasant. Thank you for making yourselves available this morning for us, but this afternoon for yourselves.

[*English*]

We have as witnesses as well, following our witnesses from the OECD, Ms. Gillian Doherty, adjunct professor from the University of Guelph; Ms. Martha Friendly, coordinator, childcare resource and research unit, University of Toronto; and Ms. Jane Beach, consultant, child care research and policy, Jane Beach and Associates Inc.

Mr. Bennett, do you have a separate presentation from Mr. Hasan, or is one person going to present in the name of both of you?

Mr. Abrar Hasan (Head of Education and Training Policy Division, Directorate for Education, Organisation for Economic Co-operation and Development): First of all, thank you very much for inviting us to make this submission before your committee. I will be making a very short presentation, and then my colleague John Bennett will be making a short presentation as well, if this is okay with you.

The Chair: That is perfectly fine. Thank you, Mr. Hasan.

We will follow Mr. Bennett's presentation by Ms. Doherty, Ms. Friendly, then Ms. Beach. We'll go on after that to questions from all parties present in the standing committee. Some of the questions may be addressed to you personally or they may be addressed at large to all of you, so please feel free to either answer a question or add to an answer that has been given by someone either here in Ottawa or at the OECD in Paris.

Mr. Hasan, you have the floor.

Mr. Abrar Hasan: Thank you Madam Chairperson.

Once again, I would like to say thank you for inviting us to make this submission before your committee. I'll be making a few general remarks to put this thematic review in context and to provide the context for the particular review of Canada that is the subject of our discussion today.

My comments will be of a general nature. The first thing I would like to mention, by way of introduction, is that this review of Canada is part of a 20-country review the OECD undertook. In the first round of this review, we examined 12 countries and a report was prepared.

Madam Chairperson, perhaps I could just show you this particular publication. I don't know if you can see it, but this was the publication that came out of the first review. It provides the policy lessons based on the analysis of 12 countries. May I suggest rather modestly that it is well worth reading.

Having said that, I also want to say that this work is being done for the education committee of the OECD. As you know, the OECD is a 30-member-country organization, so the purpose of this particular exercise is what we call a peer review process; that is, we learn from each other by examining each other's policy situation and each other's policies and practices. It is conducted in that kind of context.

Since we launched this work a few years ago, Madam Chairperson, I would like to point out—and this is the first point I will be making—that this area of work, early childhood education and care policy, has become increasingly important in our member countries. This is reflected in the number of countries that have opted to participate in this review. It's not difficult to see why. Through the work that has been going on in recent years in the area of brain research, through the longitudinal work on the social, economic, and personal development benefits of early childhood education and care, there is now mounting evidence that these early years are critical and that early provision of education and care is not only important for developmental purposes but for society as well. There are large social benefits, and on top of that, economically the investment in this work pays society more than the cost of investment in early childhood education and care.

This recognition has led to greater policy attention being paid to this area of work. Through the work we've been doing in member countries, we have witnessed in all the countries increasing numbers of reforms and investment in this area. This is the first point I wanted to make.

Very briefly, the review has thrown up one major piece of information, that the degree of access to quality early childhood care and education services is variable and there are significant gaps in access. Through your questioning, we can later go into the areas where the gaps are, but I just wanted to mention very quickly that for those under age three, the provision of these services in the countries we have examined is particularly sketchy, and that at age three it also remains quite patchy. Only a couple of countries have close to 100% coverage.

• (1110)

There are also weaknesses in access by income groups and especially for out-of-school provision. As I say, we can go into the details of this later.

Similarly, a third point I'll make is that the quality of provision also shows major weaknesses particularly for low-income provision, also for children under three, and it is mainly reflected in the low status of staff.

My fourth point will be that for the reasons I have mentioned in terms of physiological, economic, social, educational, and developmental, there is compelling reason now for larger investment in early childhood education and care to meet the gaps in access, to meet the quality weaknesses, and to promote social equity.

There is compelling evidence in favour of larger investment in this area. Therefore, there is also the question that there needs to be greater public investment in this area, partly for two reasons. First, there is recognition that not only does early childhood education and care provide benefits to individuals, but there are large social and economic benefits to the society at large that argue for it being a public good and therefore for public investment and support for it. The second reason is that the systems we have examined show that the greater the percentage of public investment in this area, the greater the improvement in the equity aspect of provision.

This raises a number of questions in terms of what mechanisms should be used to achieve greater investment. There are debates on the issues of whether there should be demand-side intervention—support, that is, for families—or there should be subsidies directed toward institutions. The research at hand shows that there are a large number of advantages and disadvantages to both of these systems, but the bottom line is that in deciding about policies on this, one should examine to what degree a particular mechanism to provide for investment provides high quality—the quality assurance is ensured. That should be the guiding criterion in terms of deciding which particular approach is more suitable.

Similar questions have been raised in terms of whether there should be public provision directly or whether it should be provided indirectly through contracts or other mechanisms. Again there are ranges of advantages and disadvantages, and I would submit that the main question is to what degree the quality provision can be provided.

My last point is that similar kinds of analyses can be examined in terms of for-profit provision and not-for-profit provision, and we can go into the merits and demerits.

One of the key issues that arise in policy discussions in this area is the governance of the system. Because of the large number of actors involved in the provision of early years, the question of policy coordination is a major issue, and for the assurance of policy coordination and integrated services it is essential that mechanisms are developed for ensuring proper integration of services through integration of policy development and implementation.

I will stop there, Madam Chairperson.

• (1115)

The Chair: Thank you, Mr. Hasan.

I will ask Mr. John Bennett to continue.

I would like to warn you, Mr. Bennett, that there is a time limit on your presentation, as there is for everyone else. I'll give you about seven minutes. If there is anything you can't present in those seven minutes, perhaps you can catch up on it through the questions that will be addressed to you.

Please go ahead.

Dr. John Bennett (Director of Education, Project Manager, Early Childhood Review, Education and Training Policy Division, Organisation for Economic Co-operation and Development): At the beginning, I would like to say a word of thanks to your committee for wishing to hear us. It's a pleasure for us to again be in touch with Canada.

The review, as you know, took place in September–October 2003. We were very pleased by the interest it has aroused in Canada. Canada was the seventeenth country we reviewed. The whole review, as Mr. Hasan explained, was a 20-country review, so we have a good deal of experience with policy in the various countries of the OECD.

I have been very much interested and involved in this field for about 15 years now. Before working with the OECD, I was in charge of the early childhood and family program in UNESCO and visited many developing countries. In fact, I guess we have visited hundreds and hundreds of early childhood education and care centres and family day cares all over the world.

It was a pleasure to come to Canada. We chose the team very carefully in terms of the needs of each country. With Canada being a bilingual country, we were anxious to have at least two French speakers on the team. Madame Bea Buysse, of Flanders, who is the head of early education and care and the head of the research institute there, came with us. Obviously, being from Flanders, she would be bilingual, French and Dutch. Likewise, of course, I speak French myself. One of our regrets of the review in Canada was that we were not able to visit Quebec or indeed Ottawa.

As you know, we came at the invitation of the Canadian government. At the moment it's Social Development Canada, but at the time we were organizing the review it was Human Resources Development Canada. We were invited by four provinces: Prince Edward Island, British Columbia, Saskatchewan, and Manitoba.

As I said, we chose the team very carefully. We were anxious to have somebody who knows Canada well, so we invited Professor Helen Penn, of the University of East London. She's also a fellow at the Institute of Education at the University of London. Professor Penn knows Canada very well indeed and has written many articles and books on the subject of early childhood education and care.

Finally, the fourth member of our team was Paivi Lindberg, of Finland. Why Finland? Because it shares much of the climatic conditions of Canada, of course, but also it has an aboriginal population. We were anxious to have the external view of somebody on what is taking place in Canada vis-à-vis how children are treated in centres and vis-à-vis the aboriginal population.

• (1120)

The Chair: Mr. Bennett, I'm sorry to interrupt you. I have one eye on the clock and one eye on the video screen. I realize time is going very quickly, but you know how we are in North America. We are very time-conscious. I would ask you possibly to speed up your presentation or at least come to the substance or to the findings. I understand that you had to present the members of your group, but time is of the essence.

Thank you so much.

Dr. John Bennett: Fine. Perhaps we could leave it there for the moment and allow your committee to ask questions as they wish.

The Chair: That's fine. Thank you.

I'll give the floor now to Ms. Gillian Doherty, of the University of Guelph.

Dr. Gillian Doherty (Adjunct Professor, University of Guelph): First of all, on behalf of my colleagues, I would also like to express our appreciation for the opportunity to present at this committee.

As the OECD witnesses have indicated, there was an international team that reviewed the situation for services regarding children under the age of six. It included child care, kindergarten, and a variety of other similar services. The background report that the three of us—Martha Friendly, Jane Beach, and I— will be talking about was commissioned by the government to provide a synthesis of the legislation funding mechanisms, etc., factual information that would enable the OECD team to have a broad understanding of the context in Canada. Subsequently, the team wrote its own report, and that will be addressed later.

Recognizing the time limits, we are going to concentrate on three key areas: quality, access, and financing. Each of these areas is crucial, but none in itself is sufficient to move the current ad hoc, fragmented early childhood care and education system to the vision that is being put forth by the federal-provincial-territorial ministers. We must have complete transformation from the current ad hoc situation to a systemic approach that is coordinated, planned, and has specific goals that are monitored to determine whether or not they're being met.

Martha Friendly will lead off with a brief summary of the current situation in regard to quality in Canada. By "quality" we mean the types of experiences that both support children's well-being in all areas of their development and also contribute to and foster their development of skills such as language, social skills, and school readiness.

Martha will be followed by Jane Beach, who will talk briefly about access, and I will finish up with a brief summary of financing.

Martha.

Ms. Martha Friendly (Co-ordinator, Childcare Resource and Research Unit, University of Toronto): Thank you.

From the perspective of this review, quality is one of two overarching policy concerns: quality and access. That's why we'll be talking about them. In Canada, as we've moved historically from talking about day care and child care to early childhood education and care, and now to early learning and child care, quality is obviously key. There's been a lot of concern about the quality of child care in Canada, and not so much about kindergarten. But I'll be addressing mostly the child care part.

What we know is that early learning occurs if the program is of high quality. The quality of the programs is paramount, and considerable research backs this up. High-quality early learning and child care programs are known to have positive long-term effects on the various domains of child development, whereas poor-quality programs may have deleterious effects. As one influential American review of this research literature said, "the positive relation between childcare quality and virtually every facet of children's development that has been studied is one of the most consistent findings of developmental science".

Just to comment on it overall, in Canada throughout the 1990s there was a lot of discussion, political commitment, and talk about making sure each child gets the best possible start in life. The research, however, shows that the quality of Canadian child care is less than optimal. There is little that could be described as a sustained, comprehensive approach to improving quality. While there are many illustrations of initiatives in child care that are associated with quality, there's little in the way of a planned approach with quality objectives or assessment of activities.

Specifically, we were asked when writing the background report to comment on a number of aspects of quality—first of all, the goals and objectives associated with quality. At the time the background report was written, there was no clearly articulated overarching pan-Canadian goal for early childhood education and care as a whole, nor was there an agreed-upon definition of quality. Provincially, territorially—which is where the jurisdiction lies—multiple goals for early learning and child care have prevailed at different times and in different programs. Kindergarten and child care nursery schools have different goals.

For child care these are not usually written or articulated, but can be inferred from policy and practice. While the goal of supporting parental employment, particularly employment of low-income mothers or those on social assistance, is clearly a goal for provision of child care, there have been other goals as well. These include the goal of enhancing child development, and sometimes this is attached to mitigating risk. Sometimes there's a goal of school readiness or "readiness to learn".

In recent years there has been a trend toward interpreting child development as school readiness, and that's another issue—I think that's too much detail. Generally, Canadian discussion about the concept and elements of quality in child care, whether by governments, parents, or experts, has tended to focus on protecting children's health and safety as well as enhancing school readiness. Specific objectives associated with quality have not been established at provincial levels either. We commented on that in the background report.

Just to talk about the assessment of quality in Canadian early childhood education and care programs, there has been very little systematic assessment of quality in Canadian ECE programs, either of kindergartens or of regulated child care. We were actually quite surprised in looking at the kindergarten literature. There is actually very little Canadian kindergarten literature or much known about it across Canada as a whole.

In the background report we describe three studies carried out by academic researchers, and these used very similar methodology to rate quality in child care. Since that time, there have been two additional studies published, both in Quebec. One of these studies was done by the Quebec government and the other was done by an academic team. It is very good research.

All of these studies have shown similar findings. The studies found that in the centres and regulated family child care homes observed, only a minority provided the children with the types of experience that research shows support children's social, language, and cognitive development. There were both provincial/territorial differences and differences by program auspice, that is, whether the child care was for-profit or non-profit.

At the same time, it's important to note that while concern about the quality of regulated child care is very much part of the Canadian landscape, only a minority of children who are in child care arrangements outside the immediate family are in regulated, organized services. The concern about unregulated family child care is associated with the absence of the oversight and even basic health and safety standards for provision that come with regulation.

Efforts to improve quality in child care. It's not that nothing has been done. Over the past few years, a variety of initiatives intended to improve quality have been introduced by the provinces and territories. These have included strengthening regulations, encouraging training, improving wages and working conditions, undertaking or funding specific projects that address quality, and supporting community-based initiatives to improve quality. Generally, these have been single, one-off initiatives, and as a researcher I think it's extremely problematic that evaluations or assessments to determine whether quality has actually improved have not been carried out.

I want to talk briefly about some of the community efforts to improve quality, because that's where a lot of the activities have occurred. The background report includes examples of community-based attempts to articulate objectives for quality. These include, for example, the Canadian Child Care Federation's development of standards of good practice in child care settings, the Manitoba Child care Association's identification of desirable wage scales, the Ontario Coalition for Better Child Care's contribution to the implementation

plan for province-wide pay equity, and advocacy by a wide variety of groups for strong regulations and better wages.

Some of these, for example, the Manitoba wage scales and the Ontario pay equity implementation, have actually been incorporated into government policy. These may play a role in what seems to be a move toward general acknowledgement, and some policy initiatives, that quality in ECE services is important, that it's connected to child development, and that there are known elements—solid ECE training, wages, program support, and infrastructure and financing—that play a role in quality.

To conclude, I think it's important to note that to date in Canada there has been little that could be described as a sustained, comprehensive analysis of the issue of quality, its connection to financing, or an approach to improving quality at a systemic level.

• (1130)

The Chair: Thank you so much, Ms. Friendly.

We'll now go on to Madam Beach.

Ms. Jane Beach (Consultant, Child Care Research and Policy, Jane Beach and Associates Inc.): The second overarching policy issue in early childhood education and care is access. Typically when we talk about access, people generally think about availability. Is the space there? While that's certainly part of access, it's more complex than that.

In addition to availability, eligibility, affordability, and suitability are also really important elements of access. A space has to be there, but who can use it? A lot of programs are targeted and a lot of children are not eligible to use them. What is the cost of care? If it's too expensive, parents can't use it. Is it suitable? As Gillian mentioned early on, access, financing, and quality are all inextricably linked, and the program also has to be suitable for the parent—whether or not they're working, is it good quality, and if a child requires additional support, does it meet those needs? Those are four elements important for access.

We did look at kindergarten as well as child care. We always think access to kindergarten isn't a problem because there is enough kindergarten for all five-year-olds. But for working families, they often say kindergarten is the most difficult year of all because it is so fragmented—with a part-day program here; some provinces have alternate full days, so the child is in kindergarten three days one week and two days the next; and in some provinces, children actually have to alternate mornings and then afternoons, and they might alternate every month. For a working parent who has to find other kinds of arrangements during the course of the day, that's not very suitable.

On the other hand, availability is there. It's not tied to labour force participation of mothers. It's affordable, because parents aren't paying directly for it. We do not really know about other aspects of suitability, whether it's quality, as Martha mentioned. Very little is done in that regard.

But access to child care is not an entitlement in any way, shape, or form. At the time of doing this background report in 2001, there was about enough child care for 15% of children between ages zero to six. There has been some growth since then, but 70% of the net increase has taken place in Quebec.

What's quite interesting is that a lot of new programs open, but in much of the country every year as many programs close as open, so there is very little net growth. From a child's perspective or a parent's perspective, it's not very suitable to have a program there one day and a child having to move to another program because an operator decides to close.

How spaces get there is a real concern. In very few provinces is there capital funding for child care, which is why we've seen, in many provinces, that it is the small individual owner-operator who invests their own money to make child care happen. Otherwise it's up to voluntary organizations and parent groups to find the money to find a space to make it happen and then to operate the programs, because outside of Ontario there is no publicly delivered child care at all.

The availability is particularly a problem for children under the age of three and for children from different cultural backgrounds, especially aboriginal children and other cultural and linguistic minorities. So the care is not very suitable.

Eligibility is usually based on ability to pay. The cost of care is really a barrier in much of the country. Back in 1998, which is the last year for which we have comparable data, the average or the median fee for a young child was about \$531 a month. There are places now where, for a child under the age of two, it is about \$1,100 or \$1,200 a month for one child.

We know we have a subsidy system in every province that helps low-income parents who meet certain financial and social criteria.

• (1135)

The Chair: Could you please come to an end?

Ms. Jane Beach: Okay.

The final thing I'd like to say, then, is that even for low-income parents the ability to pay is not there, because the subsidy rates are fixed and the difference between what government will pay and the fees is often several hundred dollars a month. So even though we talk about payment for low-income families, many of them are not able to access child care.

I will stop there.

The Chair: Thank you so much.

Madam Doherty, you wanted to add something?

Dr. Gillian Doherty: Yes, I have a short presentation on financing.

I wonder, Madam Folco, if you would be kind enough to let me know when I have one minute left, so I know I have to get on with it.

The Chair: That's fine. We'll all speak the same sign language. I do apologize to everyone. Time is short and we want to hear everyone, but of course it's very difficult, given the time element.

Please go ahead.

Dr. Gillian Doherty: I'm commenting on financing.

Kindergarten is provided through public funds in all provinces and territories, and it is open to all age-eligible children as a free service. In contrast, outside of Quebec, parental contributions provide the bulk of revenue for regulated child care programs. The parental contributions may range from 34% to 82% of an average centre's revenue, depending on the province.

The provinces and territories provide funding for child care through subsidies to low-income families, often tied to their being in the labour force as another requirement, and they provide financial grants to programs. Federal funding for child care is provided for children of military families and aboriginal children living on reserves. So the bulk of funding comes via the provinces and territories.

In 2003-04, annual provincial/territorial allocations for regulated child care for each child in the province between ages 0 and 12 ranged from \$104 to \$407 per kid. This was outside Quebec. In contrast, in kindergarten—where we don't have information for all provinces and territories—for the seven provinces where there is some preliminary information, the allocation ranges between \$1,904 to \$5,520. It gives you a sense of the discrepancy.

Canada spends approximately 0.2% of its GNP on care and education services for children under age six, including kindergarten, including compensatory programs such as specialized head start programs, versus 3.6% of GNP on elementary and secondary school education. The OECD has suggested that an expenditure of 1% of GNP is realistic and doable, and it observes that some of the European countries are very close to that.

What is the effect on access and quality? The fee subsidy is ineffective in promoting access. If you're facing a fee of \$1,200 per month for your child and you are low income, you receive a subsidy that is nowhere near that actual cost and you have to make up the difference. The subsidy is useless to you.

The fee subsidy system also works against the provision of the types of programs that support children's development. A fee subsidy is tied to a particular child. If that child leaves the program, the fee subsidy leaves the program. As a result, fee subsidy revenue in a program goes up and down in very unpredictable ways. This has a negative effect on the financial viability of centres and may be a contributor to some of them closing. It certainly makes it extremely difficult to do any program planning when you don't know what your revenue is going to be.

The existing levels and availability of government grants also contribute to the current situation, where the majority of children in child care in Canada are receiving good physical care by kind, loving people, but not the sorts of experiences required to stimulate their language, cognitive, and social skills.

Low revenue limits the amount of money to pay wages. Low wages, in turn, have been shown, by Canadian research, to fuel the massive turnover of trained staff that is, and has been for many years, a major problem, so much so that provinces have had to allow centres to operate without the required complement of trained staff. Low revenue also limits the funds for just keeping the physical facility in order and for buying programming materials.

• (1140)

Finally there is a need for infrastructure. There is a need for training programs to exist. The current levels of government funding for infrastructure such as that are also grossly inadequate, making the availability of training unaffordable for many potential students—if there is a training program available.

Two University of Toronto economists have shown in great detail that the social and economic benefits of a publicly funded, high-quality child care system for children aged two to five, with modest parental contributions, as in Quebec, would exceed the cost to the public purse by a margin of two to one. They reflect on the research that shows that the children who have high-quality child care versus children who have no experience of child care have greater school readiness when they arrive at school. There is international research—in one case following children to age 13—showing that not only are kids better prepared when they enter school, but also that their academic performance continues to be better.

So there is a long-term impact on having participated in quality child care prior to school entry versus not having had that experience. It's also more cost-effective to address behaviour problems prior to age six, which can be picked up by staff trained in child care, than it is to try to remediate those problems later.

Thank you for your attention.

The Chair: Thank you, Ms. Doherty.

Thank you to all the members of the panel.

We'll now go on to the questions and comments.

Mr. Devolin.

Mr. Barry Devolin (Haliburton—Kawartha Lakes—Brock, CPC): Thank you, Madam Chair.

I also want to thank all of our witnesses for being here today.

Just to make a quick introduction of myself, I come from a rural riding in central Ontario, and there are many issues particularly affecting rural areas and the delivery of many services in rural areas.

Second, in terms of context, when Dr. Fraser Mustard delivered his earlier study to the Ontario government, at that time I was the special adviser for children's education to the Premier of Ontario. So I have some familiarity with that document and some of the programs that have come out of it, most notably the early years centres in Ontario.

Third, I also sit before you today as the father of two children under 30 months of age, so this is something that's also relevant to me.

I have a couple of questions for Mr. Hasan, then I have one for the authors of the Canadian report, and I'm hoping I can get all of this done in seven minutes.

Mr. Hasan, I have two questions. I'll give you the questions, and maybe you can answer both of them.

First, you made reference in your remarks to the fact that in different countries there were both pros and cons to public sector and private sector delivery. I'm curious to know specifically what you found to be some of the pros or the advantages of private sector delivery.

My second question comes from that and is more specifically regarding home-based care. Did you find in any other countries that there were systems, programs, or resources in place that allowed parents who wished to stay at home with their children to also take advantage of some of the early-years opportunities for learning?

I guess, as an editorial comment, programs are often referred to as patchwork. As you probably know, Canada is a relatively decentralized federation and education is a responsibility of the provinces, so I sometimes find that the word "patchwork" is used as a pejorative term. I would say that in Canada the fact that a patchwork system exists for these kinds of services is not necessarily a bad thing and, in fact, is a function of the way our country works. Anyway, that's a comment.

My two specific questions are on some of the advantages of private care, and secondly, do you have any examples of home-based care meeting some of the early-years needs of children?

• (1145)

The Chair: Thank you, Mr. Devolin.

Mr. Hasan, you have about five minutes for your reply.

Mr. Barry Devolin: I have another question, so I don't want him to use those up.

The Chair: That was the first of two questions?

Mr. Barry Devolin: That's one. Perhaps he could answer that, then if I have time, I'd like to ask the Canadian authors.

The Chair: Mr. Hasan, go ahead please.

Mr. Abrar Hasan: On the first question in terms of the advantages and disadvantages of public sector provision by itself—that is, the government provides it as opposed to the private sector—basically they depend on whether the service that is contracted out to the private sector is easily identifiable. If it is clearly definable, if it can be monitored properly without too much cost, then it could be efficient for the public sector to actually contract it out to the private sector for delivery.

On the other hand, where monitoring the costs of quality and defining the quality of the service is difficult, then there is an argument for the public sector providing the service itself. The disadvantage in this scenario could be that with a monopoly provision, there could be overhang of bureaucracy and inefficiency in that system.

The point is that the mix you can use depends on whether the public sector is providing it. If it can take care of the disadvantages of bureaucracy and overlay—there could be inefficiencies if there is a monopoly provision—then that could be an appropriate way to go. It has some other advantages in the sense that quality can be monitored more directly and can be provided.

That would be my answer to that question.

John, would you like to say something about the home-based care?

• (1150)

Dr. John Bennett: Actually, we don't go into the homes of people except where family day care is concerned. Family day care is when somebody takes in children from the families around. It is the majority type of care in some countries.

The question here, of course, is how this is organized. In the more successful countries, like Denmark, for example—

Mr. Barry Devolin: Sorry, maybe I wasn't specific. I'm not talking about home-based day care, where somebody brings in other children; I'm talking about parents who choose to stay at home with their own children and try to meet these needs.

Dr. John Bennett: That is not a question we have examined, but there is some research coming out on it at the moment that says those parents who are at home with their children and in fact invest much in talking to and educating them have children who do very well also.

The Chair: This will be the second round.

Madame Gagnon.

[*Translation*]

Ms. Christiane Gagnon (Québec, BQ): I am addressing Mr. Bennett and Mr. Hasan. A discussion is under way to determine whether it ought to be privatized or be simply a public service. I would like to hear what you have to say about it. We received a legal opinion, at the request of the Canadian Union of Public Employees, which says that if it were to become a private service, then there would be reason to fear that it would be challenged by the WTO, by a number of international treaties, and the free market in services.

Do you have approximately the same understanding of what constitutes a private service?

[*English*]

Dr. John Bennett: Yes. I'm not quite sure I understood the question. Basically the movement of private services is a fact of our societies today. The question that arises, though, is this. Should governments be paying private services to provide a service? Do we do so where cars are concerned? Do we pay people to buy certain cars or certain services?

This is what is happening in the early childhood field. We have perfectly good public services and perfectly good community services that are often underfunded, yet in the open market we finance parents to utilize private services, for-profit services. I think we have to be very careful about what we do where the services for young children are concerned. We need to think about the implications of these services.

What has happened in a number of countries where there are a great many private services is that, generally speaking, these services go unregulated. In fact, we came across cases in Canada where people told us they are more likely to be regulated by the fire service than by any pedagogical service.

If we want quality in services and we want services where children learn and develop, then we have to invest in public services and in the inspection that public services bring about, otherwise we may have very low quality in our early childhood services.

The Chair: Thank you, Mr. Bennett.

I'll pass the floor now to Ms. Doherty.

Dr. Gillian Doherty: Excuse the interruption. What pops into my mind is that there is a different use of terminology across the Atlantic and also within Canada. When one side is talking about public, it is thinking of what might be called non-profit organizations delivering a service versus a business delivering the service.

Do you want to add something, Martha?

• (1155)

Ms. Martha Friendly: In Canada there's very little public child care. Ontario has publicly delivered child care, where municipalities deliver about 10% of the regulated child care in Ontario. In the other provinces, there is virtually no publicly delivered child care. There has been the odd one here and there.

From a legal point of view, the remainder of the services are private. Some of them are private non-profit and some of them are private for-profit.

Another kind of private child care is unregulated child care, and I think John Bennett may have been referring to this. It's entirely private. It's not even public in public view. It's not only across the Atlantic. Actually, the main mode of delivery in western Europe is publicly delivered child care where it's delivered by local authorities of one kind or another.

But within Canada, we're often talking about these different things. The press talks about them and mixes up the terms. They confuse public financing with public or private delivery. I think we were having a bit of a word conflict there too.

The Chair: Thank you.

[*Translation*]

Ms. Gagnon, in view of the explanation that was just given to you, and which strikes me as very important, would you like to ask your question again? However, there is not really much time left. Indeed, you have only two minutes. If you could do it fairly rapidly, please.

Ms. Christiane Gagnon: It had mainly to do with the new WTO rules on private and subsidized services. For example, would a private service not feel that it had been treated inequitably if subsidies were given to a public service?

If national standards were established, private companies outside Canada could be tempted to come and offer private childcare services. These private service companies could challenge the fact that the government subsidizes public services, because it would constitute a lack of equity in terms of investment.

Under the new NAFTA rules, there is an article that provides for precisely this type of situation, to ensure that there is equity between private business and the public sector.

The Chair: To whom are you addressing your question?

Ms. Christiane Gagnon: I could address it to Ms. Friendly.

[*English*]

The Chair: Madame Friendly, you have a minute to answer.

Ms. Martha Friendly: The question that Madame Gagnon is referring to is one on which there's been a lot of discussion but no clarity. The idea is that if under the NAFTA and GATT rules, the predatory big business child care companies from Australia or the United States, in particular, come into Canada, it would prevent the Government of Canada from even managing to handle our own variety of somewhat less predatory, to this day, child care operators. There's an enormous concern about this in the early childhood community. It's partly foreign companies that have taken over the field, particularly in the United States, Australia, and the U.K.

Mr. Barry Devolin: Could I have clarification of what predatory means?

Ms. Martha Friendly: For example, in Australia what's happened in the last decade is that there is one monopoly company that has bought up the other big companies. There's one large company called ABC Childcare that owns a good deal of Australia's child care.

The Chair: I beg your pardon, but I'm going to have to cut this off. You're going to have a second turn and you'll be able to ask your question.

Mr. Martin.

Mr. Tony Martin (Sault Ste. Marie, NDP): Thank you very much.

I'm pleased to see all of you here today.

The reason I made the motion to call you as witnesses was the quality of your report and the credibility of the evidence that you presented. I'm going to start with a question to Martha Friendly, whose birthday I believe it is today.

Ms. Martha Friendly: This is everything I wanted for my birthday.

Thank you.

• (1200)

Mr. Tony Martin: It's on the whole question of profit versus not-for-profit.

On Tuesday during question period, I posed a question to Minister Dryden regarding a six-month-old boy with severe asthma who was left, forgotten and locked in, for three hours after closing at a for-profit centre. Mr. Dryden answered that this sort of regrettable incident could happen anywhere, implying in either a for-profit or a not-for-profit centre.

I've no intention of demonizing many of the small home-based operators or their staff. I know our party has particular concern, though, about big box child care by large corporations. I'm wondering if you could comment further on the apparent relationship between safety concerns and other quality issues related to the for-profit child care.

Ms. Martha Friendly: I know the incident. It was in the *Globe and Mail*.

On the one hand, Minister Dryden is correct that this could happen anywhere, although if you look at press stories about health and safety incidents in child care, if you google it, what you get is a lot of horrible stories every day, mostly in the American press, and they mostly are in for-profit child care. What this has to do with is staffing and oversight.

The problem is that all of the research that has been done—and you're probably familiar with a recent study that Gord Cleveland and Michael Krashinsky did—shows that the quality of for-profit child care is generally poorer than the quality of non-profit child care in Canada and in the United States, where most of the research has been done. This isn't just because of incorporation status; it's because of the things that go along with trying to make money from a child care program. This is not to say that every non-profit child care is good or every for-profit child care is bad. There certainly is overlap.

I really want to emphasize that since we have not previously had anything resembling a national policy, and we haven't had a lot of money coming from the national government and some provinces have had no money, there are all kinds of people who have started child care programs. They range from somebody who is an early childhood educator who had no capital money, got the capital money from her father, set up the program herself, and painted the place herself, to companies who have 12 child care centres. There's a huge range.

The reality is that if you look at the research—and I think these two major Quebec studies are particularly interesting because they're two different very well done studies that have the same findings—in general, if you're taking money out of the program in the form of a profit, or you're purchasing real estate, or doing one thing or another with it, something has to give, and it's mostly staff. And that's what the research shows. You tend to have staff with lower training, more staff turnover, less supportive staff. We've all done research on this of different kinds. That's what the research shows. The evidence does show that this does not add quality.

I guess the question is going to be, from my own point of view since we're now embarking on this as a policy exercise, given the evidence—we want to be doing evidence-based policy—how do we use the best evidence to move from where we are to what we think should happen if this is going to be a public good?

Dr. Hasan talked about this as a public good. A public good does not mean financing businesses if the general outcome of child care as a business is less good than a public, or at least community-based, not-for-profit service. There is research on this.

That's my answer, if that's adequate.

The Chair: You have a bit more time, Mr. Martin, if you wish.

Mr. Tony Martin: Okay, I'll ask another question that builds on that a bit, for anybody who can answer it.

Again, Minister Dryden has made favourable comments about a quality model that, like Alberta's, builds on accreditation. You get accreditation according to meeting quality criteria. My understanding of what happened in Australia is that big-box corporations moved in and very soon took over more than one-third of the small operations—you referred to this a few minutes ago, Ms. Friendly—forcing even not-for-profits out of the local scene.

Can you comment on the Australian experience related to quality and the big box? If we go down that road, is it ever possible to undo this?

Ms. Martha Friendly: Perhaps I can just put this in a bit of context. We have a market approach to child care in Canada. I think what the OECD study is saying is that there needs to be much more of a systematic approach, where there's planning, where government has a bigger role.

I remember when Australia decided to fund for-profit child care. The quid pro quo was the accreditation system. There are huge quality issues, even with the accreditation system. If you have a market model and you apply accreditation to it, there's nothing to show that it improves quality; it's a way of assessing quality. There are a lot of problems with this, but what it can do is let parents know that this one is accredited and this one is not accredited.

In the United States, there is a good piece of research about the accreditation system, which is voluntary there. It's a well-done accreditation system, but it doesn't improve quality.

Again, I really want to emphasize that you have to take an overall, systematic approach. If you think you're going to apply a magic bullet of an accreditation system to a non-system that is under-financed, where there's all kinds of motivation for providing it, it's not going to do it. That's what we know.

•(1205)

The Chair: Thank you.

There's no more time, Mr. Martin.

Madame Bakopanos.

Hon. Eleni Bakopanos (Ahuntsic, Lib.): Thank you, and thank you very much to our guests.

I found your documents to be very much along the lines of what the government is trying to do. You do make the point, which I think

we have to underline, that this is a provincial jurisdiction in which the federal government has decided to add \$5 billion and help organize a national framework.

You also mentioned that regulated child care is not an entitlement. You don't go further, but perhaps you'd like to elaborate on that. There is a question on whether it is an entitlement.

The third point you make, and I think it's very important to repeat, is that publicly funded and private delivery of services is different from publicly funded and public delivery of services. I think that's very important. I agree with you that the media very often mixes up the terminology.

You talked about some of the measures taken by this government, but there's one measure you didn't mention, and that's the child tax benefit that was introduced. Perhaps you want to comment on that.

In your documentation you mention, like the OECD did in theirs, that there has to be some method whereby low-income families can sustain a level of quality of living in which they can also provide for their children. Maybe the child tax benefit—or not “maybe”, in my opinion—has been the tool that has helped to provide to parents a direct benefit that then can be used in child care, perhaps, or early learning.

Coming from the province of Quebec, where the system has been in place, I'd like to say to the OECD that it's regrettable that they were unable to include in their study the Quebec experience. I have a feeling that some of the remarks made in their report would probably have been a lot different if they had in fact had that empirical evidence. I'm assuming that you all agree.

The discussion right now, in terms of the government, is around this question: should there be legislation? I think that's an important question. In my opinion, we have to set up the framework and then have legislation.

Perhaps you'd like to comment on that. Should there be legislation?

The Chair: Madame Doherty.

Dr. Gillian Doherty: Yes, I would like to comment, and also perhaps my colleagues would like to.

In terms of your first question around entitlement, in Canada, depending on the province or territory, when you are four or five you are entitled to kindergarten. There's no question about it. That does not exist in child care outside of Quebec.

Secondly, the public funding and the private delivery refer to the availability of public funds—taxpayer funds—to non-governmental entities, whether it be a group of volunteers operating a non-profit child care, an owner-operator of a child care program, or a large corporation. They can all theoretically get government funding. One of the questions Madame Gagnon has raised is whether or not that's the case under NAFTA, but we won't go there. Where you have public funding and public delivery you have, for example, a municipality doing the delivery, providing the service, hiring staff, etc., which is the approach used in some of the European countries.

In terms of the child tax benefit, I got the implication, which may not have been intended, that the child tax benefit makes regulated child care more accessible. That is debatable because of the amount, but we're missing a more crucial issue, and that is the predictability of your revenue. It is extremely difficult to operate a good program—a good business—with unpredictable revenue, and the child tax benefit does not address the issue of a program's administrators knowing there is a certain amount of revenue going to be coming in and thus their being able to hire staff and so on and so forth. It has some of the same problems as fee subsidy. It helps the family to have a better quality of life, but it doesn't address the affordability/access problem to child care.

Legislation? Yes, it is, in my opinion. I am going to turn it over to my two colleagues, who are jumping up and down. It is the only way to ensure we have a hope in Hades that funds that are intended for child care are actually used for it.

Martha and Jane.

•(1210)

Hon. Eleni Bakopanos: May I just say that the reason I raised the issue of legislation is because this is provincial jurisdiction. That's why I come back to my first point. That's the issue. The issue is that it's provincial jurisdiction, and how do we legislate? There have been examples, by the way. There are.

Dr. Gillian Doherty: Health care.

Hon. Eleni Bakopanos: Yes, that's the recent example, but all that said is...that's really the issue there. It's not whether there should be or not; that's part of the debate. I agree.

Ms. Martha Friendly: I think, actually, there's clear recognition that this is provincial. As with all social programs, this is provincial and territorial jurisdiction. That begs the question of what role Canada takes as a whole and how it fits into the Social Union Framework Agreement, which I know Quebec is not a signatory to. But the fact is that first of all, the government committed itself to legislation in the platform, and I'm very much in favour of legislation as well as a much bigger policy framework. Again, I don't think that in Canada the legislation is going to spell out exactly how the programs are delivered.

We say we have a patchwork, and I just want to comment on that because this is quite relevant. Families have a whole range of child care needs. In downtown Toronto where I live, all sorts of families have different kinds of child care needs, depending on what their socio-economic status is, what the mom is doing, what the dad is doing, and what the condition of the kids is. These families exist all across Canada. Children are children all across Canada, so does the

idea of having an early childhood education program for all children vary by province?

Actually, it was Trudeau who said at the time of Meech Lake, you can't tell me that babies in Quebec are so different from babies in Newfoundland that we can't have a national child care program. That's why we keep saying we need a comprehensive program that can be used to fit families' different needs, but I would really—

Hon. Eleni Bakopanos: Can I just stop you, because we're running out of time.

Would not an agreement that had benchmarks and goals that were set by the provinces and the Canadian government be sufficient as a first step in order to make sure you didn't have a patchwork all over the place? And then you'd move on to legislation

The Chair: Madame Beach.

Ms. Jane Beach: Certainly some kinds of conditions are really essential, and whether legislation is needed immediately or not I think could be debated endlessly.

There are almost no conditions put on the provinces for how this money is spent. Provinces have really not stopped and thought about what the purpose of child care is. They largely fund it as a support to working mothers, and yet we talk about it as an important program for children. And government's role, at best, outside of Quebec, is a really reactive one. There are no benchmarks and targets and goals for how you are going to achieve it. In order for anything to be more than more money thrown onto the band-aid solutions we have...is a policy framework that the provinces have to adhere to or develop in order for this funding.

Hon. Eleni Bakopanos: Well, that's what we're trying to do—

The Chair: Thank you. I'm going to have to cut you off.

Mr. Van Loan.

Mr. Peter Van Loan (York—Simcoe, CPC): I want to ask some questions about your report. I notice you have a conclusion on unregulated care. You say “Unregulated care in all countries is generally assumed to be of a lower standard...”.

•(1215)

Ms. Martha Friendly: That is not our report; it is their report.

Mr. Peter Van Loan: The OECD report, okay. And you provided none of the background into it?

Ms. Martha Friendly: We wrote the background report. The team, as he described, wrote the country note.

Dr. Gillian Doherty: We provided factual information, no comment.

Ms. Martha Friendly: You have both reports.

Mr. Peter Van Loan: Further, I then see that “Despite the tolerance of unregulated care, Canadian administrations assume correctly that regulated care is better than unregulated care...”.

Is that your view as well?

Dr. Gillian Doherty: Yes, because we have research that demonstrates it.

Mr. Peter Van Loan: Do you concur in the findings of the OECD report here?

Ms. Martha Friendly: Yes, I think it is a very intelligent report.

Mr. Peter Van Loan: I find some things that I do not think are that intelligent. For example, I stand in front of you as the shattered product of unregulated child care, destroyed by this low quality, because you say that unregulated family care includes care by relatives. I was raised by a single mother and my child care was principally provided by my grandmother. That is seen as lower quality.

In another listing of unregulated situations—60% of children are perhaps in these—these include participation in recreation programs and summer camp programs. I had swimming lessons, I think. I had some gymnastics lessons, and a lot of kids go through hockey, ballet, and so on. And that qualifies as unregulated situations that are unacceptable. I find this very puzzling in your report.

It is their report, but you concur in it. You said the findings are very good.

The Chair: Excuse me. I am going to give Mr. Bennett the first part of the answer and then I will go on to Madame Doherty.

Mr. Bennett.

Dr. John Bennett: I think the member misunderstands the report. When we speak of unregulated care we are speaking of unregulated child care, that is, parents placing their children outside the home with unqualified people.

Mr. Peter Van Loan: Perhaps you could stop there. It says on that list “Unregulated family child care by relatives.” That’s what my grandmother was.

Dr. John Bennett: I don’t think you would find that in the report.

Mr. Peter Van Loan: It’s right there in black and white. It is on page 28.

Dr. John Bennett: The report says unregulated care by family members.

Mr. Peter Van Loan: It’s a shocking example of unregulated care that’s resulting in low results. It’s the same with the swimming lessons.

Dr. John Bennett: I think you misunderstand the report there.

Mr. Peter Van Loan: It is there in black and white. I didn’t write it; you wrote it. They concur in it.

Dr. John Bennett: Can you read the sentence for us then?

Mr. Peter Van Loan: “A substantial proportion of children—perhaps 60%—are also placed in unregulated care, full-time or for

part of the day”. They have bullets for the examples: “Unregulated family child care by relatives”. And further down it says: “Recreation programs, summer camp programs”.

The Chair: What decision do they draw from this? Would you read that part?

Mr. Peter Van Loan: I just think that care by a grandparent would be a good thing.

The Chair: Excuse me, Mr. Van Loan.

And I beg your pardon, Mr. Bennett.

Mr. Van Loan, in the part that you just read to Mr. Bennett, could you either read the preamble to that or the conclusion that they come to, just to make sure it’s all together?

Mr. Peter Van Loan: The earlier statements were that “Unregulated care in all countries is generally assumed to be of a lower standard...” despite the tolerance of unregulated care. It is obviously a bad thing but for some reason tolerated in Canada. “Canadian administrations assume correctly that regulated care is better than unregulated care...” Those are at pages 31 and 66.

But earlier on at page 28 it has— and this is one of the categories of child care:

3. *Unregulated situations used by parents for child care*

A substantial proportion of children—perhaps 60%—are also placed in unregulated care, full-time or for part of the day

- Unregulated family child care by relatives

—and there are some others, and then these—

- Recreation programs, summer camp programs

I just find it very unusual that those are included as the unregulated care that is so condemned.

The Chair: Mr. Bennett, you wish to comment on this?

Dr. John Bennett: Yes, of course.

I think there may be a misunderstanding of the report here. When we speak of unregulated child care, we are speaking of parents bringing their child to a child care home that has no regulation, that is unknown to the municipal authorities or the like. We have no guarantee whatsoever how children will be treated in those circumstances.

We have visited—

● (1220)

The Chair: Excuse me, Mr. Van Loan. Madame Doherty would like to add something here.

Dr. Gillian Doherty: Thank you. I want to make one point. There are always exceptions to a rule. We are trying, I think, as a country to move towards evidence-based decision-making, and the evidence is very clear from research that has been done, not only in the U.S. but in other countries, that as a whole, unregulated child care situations result in poorer outcomes for children than do regulated. Part of the reason is that unregulated situations do not even have to meet basic health and safety.

We recognize that your grandmother may have been a wonderful woman, and I'm sure she took care of your health and safety, but we are trying to move towards decisions based on large groups of children, not a particular fortunate individual. Therefore, we go back to the research, and the research is extremely clear on the difference between unregulated and regulated child care.

Ms. Martha Friendly: Mr. Van Loan, if you want to address this personally....

We're trying to address this seriously as a policy matter; that's what we do for work. If you want to trade individual little stories, I'll give you my neighbour who's a grandmother who's looking after, in retirement, three of her four children's children because they can't afford child care. So if you want to do it on that level, which is not a serious level, we could do that all day and waste everybody's time.

Mr. Peter Van Loan: I don't consider it a waste of time to treat children as individuals. I don't consider it a waste of time to treat family relationships between individuals...which is exactly what's listed here as unregulated child care, and you've concluded that it is an adverse situation. I think it's a positive form of child care that should be encouraged.

It's an aggregated group here; it's not an individual story. It's an aggregated group, unregulated family child care by relatives. It's criticized.

The Chair: I will interrupt here and ask whether it might not be useful to all of us on both sides of this room to have perhaps more information as to what that particular paragraph actually means in terms of what Mr. Van Loan has brought up.

We can talk through anecdotes. We can all do this. We've all been brought up some way or another, some of us less well than others. But I think what we want to do is to have what we call in French *un éclaircissement* that part or those parts of the document so that we can understand exactly what the document means in terms of policy and not just in terms of an individual person—although I agree, Mr. Van Loan, we are all talking about children. We're talking about human beings. However, we're also talking about possible policy.

So I would ask Madame Doherty perhaps, as the leading person on this team, or perhaps Mr. Bennett—I'm not too sure who to ask here—to give us some additional information in writing, through the clerk of this committee, so that we can better understand what all this means.

Thank you.

I think I can now go on to another questioner.

Mr. Silva.

Mr. Mario Silva (Davenport, Lib.): Thank you, Madame Chair.

On the two issues discussed, quality and access, certainly in my mind the quality aspect would be better served by having a public regulated system—without question.

I know of several incidents, of course, where families have put their kids in the trust of relatives, friends, or neighbours in an unregulated system. By and large, in the cases I do know of, the kids have developed fine, without any problems. However, I also know that in those systems there is no program for these kids; it's more like

a babysitting program than actually providing early learning education or reading to the kids. A lot of the children who I've seen have basically been watching television or playing games on their own; there isn't really a stimulated environment. The people are not professionals and they haven't got the training to figure out what to do with these children. Beyond providing some games and entertainment, that's about it.

The ideal scenario, of course, would be a quality, regulated type of system that is publicly funded.

The issue of access is another issue that concerns me. Obviously in Toronto there is a huge problem of access and a need for about 2,000 subsidized spaces; we're short in Toronto. But given the geography of our country and its vastness, how realistic is it going to be in many parts of this country to deliver a public regulated system where so many small communities just won't have the means to do that?

• (1225)

Ms. Jane Beach: Children who live in small communities get to go to school. Everybody who lives in a rural community, for the most part in the country, can go to kindergarten; so it's quite possible to offer child care.

Martha always points out to me.... She was in Norway not too long ago, north of the Arctic Circle, in very small communities where child care does exist. This is where you really do need a system.

Yes, regulated family child care is also an option, whether we're talking about a group facility or whether we're talking about it being in somebody's home that's regulated under certain standards.

If we think about school and if we think about health care, they may not be exactly the same as they are in a large urban area, but if they're part of a system.... You may happen to have a grandmother who is retired and just dying to look after you, but it doesn't build any kind of a system.

I don't know if that answers your question or not.

Ms. Martha Friendly: Rural communities have less population density. The thing is that it's maybe more difficult to do it, but we have all worked with rural communities right across Canada. There are all sorts of rural communities that have been working and have worked very hard to have child care.

In rural communities, it's a particular problem because people are not working. It's not like the farm has the father farming and the mother looking after the children in the house any more; farms have changed and other rural employment has changed. Also, people want early childhood education for their children.

The problem with having child care in less densely populated communities is the financing. If you don't have the financing....The reason they have child care in Norway in fishing villages north of the Arctic Circle is that the government put it there. People go to it and they want it. But it's more difficult to organize it, and that's why there needs to be a system.

I think your question is a very good one, about how you do these things and how you do it in different kinds of communities.

The Chair: Thank you.

Monsieur Lessard.

[*Translation*]

Mr. Yves Lessard (Chambly—Borduas, BQ): I would like to return, with your permission, to the issue of the private sector with respect to what is going on in Quebec. There are two factors. Ms. Bakopanos said something about it just now: there is the example of Quebec, and this example has not been compared to others. I would like to hear what you have to say about that.

Mr. Bennett also raised this question. There was no Quebec invitation. Is this a choice you made or was it that the governments did not invite you?

Ms. Friendly appears to be rather categorical about one point: current conditions with respect to the private sector do not encourage us to go in this direction, and the bill under discussion at the federal level intends to make it a public plan, if I have understood correctly.

Those are my two questions.

The Chair: To whom are these questions addressed, Mr. Lessard?

Mr. Yves Lessard: The first is for Mr. Bennett, with respect to the Quebec invitation, which he mentioned at the very beginning. The other is for Ms. Friendly or Ms. Doherty, who raised the aspect of the private sector.

The Chair: Mr. Bennett.

[*English*]

Dr. John Bennett: Our visit was arranged by HRDC at that particular moment. As far as we know, the various provinces were asked to invite the OECD team. We received invitations from four provinces, but not from Quebec. That was our information. We were not in touch directly with any province ourselves. We simply worked through Social Development Canada.

• (1230)

[*Translation*]

The Chair: The second part of your question was for Ms. Friendly.

[*English*]

Ms. Martha Friendly: Mr. Lessard, are you asking me if I think there should be legislation that legislates that issue? Is that what you're asking me?

[*Translation*]

Mr. Yves Lessard: Yes.

[*English*]

Ms. Martha Friendly: I think there has to be a plan for moving from where we are. There has to be discussion between the provinces

and the federal government about what the goals of the program are. All of the provinces, perhaps with the exception of Quebec—but we understand that's a political situation—have agreed to the principles.

If you look at what kinds of activities would support it, those are aspirational principles. What kinds of activities would support achieving those principles? There are certain things we've tried to present, to talk about as evidence.

Whether that's legislation or not, I think, is something...let me put it this way. In the Canada assistance plan, which doesn't exist anymore, there were conditions that developed non-profit services. There were two ways of accessing that federal money. Under one of them it could not be for profit. Under the other one it could be. That encouraged the development of child care up to the 1990s.

Similarly, one of the principles of the Canada Health Act is public delivery, but the interpretation of it is rather ambiguous and is always being debated. It may be a Canadian condition—of course it is—that the tension between the federal government and the provinces doesn't allow that kind of thing to be clear in legislation.

Of course I would like it to be clear, but I do think there needs to be a serious policy discussion. That's the way I would think about it. If we are looking for quality, universality, the four principles, the quad principles that were agreed upon, which I think are actually quite good principles, then what are the things that need to be done in order to make those things happen down the road? I think this is a serious discussion that needs to occur.

I'm not enough of a constitutional expert to know exactly what the legislation should consist of. In the past the delivery model actually has been included in the legislation.

I know it's not a firm answer, but I think I'm on too shaky ground. All I know is that I would like to see direction in what's happening federally and provincially, because I perfectly recognize this as a provincial jurisdiction, yet I would like to see it shaped in the direction that I think the evidence supports, if that's an answer.

[*Translation*]

The Chair: Thank you.

Ms. Bakopanos.

Hon. Eleni Bakopanos: This is in response to Mr. Lessard's question.

[*English*]

I want to come back, actually, to the thing about some stakeholders thinking that legislation is going to be the way to go immediately. I'll put on the record again that it is a provincial jurisdiction, that there is a multilateral framework already in place and we're building on that multilateral framework. But I think setting benchmarks and goals, at least for the first two years maybe.... That's under discussion with the provincial ministers, and that decision will be made by the provincial and territorial ministers with the federal minister. And there is the issue around the table also that, yes, Quebec may have the best system in Canada, but it's also a very expensive system, and I want to come back to that question.

You talked earlier about 1%, and I'm assuming you're saying it is the minimum investment that should be put on the table. Well, we put \$5 billion on the table. Maybe it should not have been over a five-year period, but we can discuss that, and I think there are discussions around whether we should not perhaps bring it up. If the provinces in fact are ready to put a system in place to reach certain benchmarks and certain goals, then I think the federal government is also prepared to put its money where its mouth is, as they say in very colloquial terms.

I want to get to two other issues that I think are just as important in terms of what is in the system, because I was a mother and I did have my children in a private regulated system, and I'd like to think they turned out very, very well—even though their grandmother took care of them for the first 18 months, Mr. Van Loan. I want to talk about two issues that you raised, and one is income support for families, which I think is directly linked to whatever we're going to do. There have to be issues raised in terms of income support, and that's why I brought up the child tax benefit, besides bringing up parental leave, besides bringing up the other issues, and I don't want to go there because I don't have time. I thank you for putting that into your document, because I think those are pieces of legislation, placed there by this government, that we have to build on.

The second thing I'd like to talk about is the training and remuneration, proper remuneration. Be it public or be it private, if people aren't paid a decent salary, the system isn't going to work, no matter what. Training, as you know, is not a federal—well, it is and it isn't. But in Quebec, if I can use that as the example, it's the Quebec government that's responsible for training. In terms of remuneration, we set certain guidelines, but there is cooperation.

I'd like you to address those two issues. I know you don't have a lot of time, but I think they are important issues for making the system work.

• (1235)

Dr. Gillian Doherty: I would like to just touch on your very appropriate observation that child care in Quebec—because it attempts to provide access and attempts, through high training regulations and much better wages, to address keeping people once you have them trained—is expensive. But I would also want to remind people again that you have a couple of hard-nosed economists crunching the numbers and coming out with the flat conclusion that money put into developing the sort of system that Quebec has, which does include a parental contribution, provides benefits that outweigh the costs two to one.

I would also want to point out that there is another body of research—that's the problem when you have academics talking to you—that has demonstrated the negative effects of poor-quality child care, so we can't say that it doesn't matter if they go to unregulated child care. It does matter for the whole society, because it reduces the children's foundation in the skills they will require for school and for life.

In terms of income support, we should not be looking at an either/or. It's not either you have income support through the child care tax benefit or some other means, or you have child care. The two are part of a package that supports families raising young children, and

efforts to raise young children benefit us all, not just the family or the child.

Second, on the training and wages issue, the three key things that come out in the literature consistently—not just in Canada, but across Europe and in the U.S.—are training, wages, and the number of children for whom the adult is responsible. Those three things are causative factors. In a statistical sense, it's not just that if you have well trained staff you're going to have better outcomes with kids; the statistical analysis goes further than that and says it's the training that contributes to that outcome. That gets back to the infrastructure of there being training programs, their being operated on days when people who are already in the field and need some training can take it—in the evening by distance education—and their being affordable to potential students.

Wages—again a statistical phrase—predict turnover and quality. A lot of research has linked the level of wage to child outcome, whether it be literally in skill development or in the consistency of relationship, because if you have low income, you have high turnover, which disrupts relationships.

The Chair: I know that Madame Beach would like to add something.

If you do, please be very brief, Madame Beach.

• (1240)

Ms. Jane Beach: Very briefly, a labour market study just completed for the Child Care Human Resources Sector Council found that 42% of trained early childhood educators remain working in child care within five years. The reason for that is that all the other early childhood programs are core-funded by government, and regulated child care is not, so the wages are considerably higher when it's not coming out of the parent's pocket. So we're having this huge turnover among staff.

The Chair: Thanks very much.

We'll now go on to Mr. Martin and then Mr. Forseth.

Mr. Tony Martin: Thank you very much.

The Quebec question was a good question, because it is the model a lot of us are looking at. It's unfortunate that it wasn't studied and included in this report.

I know that many families and experts in the field have concerns about the amount of money, the \$5 billion over five years, which is really \$1 billion a year for the entire country. When we know that in Quebec the system that has brought daily fees to parents down to \$7 costs \$1.3 billion just for one province, and the federal government is talking about \$1 billion for 13 provinces and territories, and no guarantees—we don't know what is going to happen to that money after five years—that concerns the provinces. I know that from speaking to them.

We want to build a national child care system. Can you talk about the amount of money required to build a national child care system?

Ms. Martha Friendly: Yes. We want to begin building a national early learning and child care system, but that will take more money and it will take more policy. My view is that the two things really have to go together.

In the child care field, on the one hand, we know that \$1 billion at the end of five years is low. Maybe \$1 billion in the first year isn't low, because we assume that it's going to take a while for things to be planned. What we would like to see is that it would be planned, there would be policy frameworks, and it would be working on issues, the kinds of things that the OECD country note is calling for in the report, which should be taken very seriously as part of our new system. If that were to happen, then \$1 billion at the end of five years is too low.

The second question that I think you're asking is on sustainability. I think this is really important from the federal-provincial point of view. Once the provinces get into this, people are going to want the program, as they did in Quebec.

If the money is available from the federal government for five years, I know that governments have to plan in chunks, but I actually said in my pre-budget brief to the finance committee that we need a committee to build this system, which is probably going to take 10 to 15 years. I'd like to see that played out more. I told the finance committee that instead of \$5 billion over five years, at the end of five years I'd like to see \$5 billion myself. It's more realistic in terms of actually developing the system, but I think it has to go hand in hand with good policy and it's really important to do the two things together.

In this field, we are convinced that we do not want more government money laid on top of what we have. It is not adequate, it is not accountable, and we have no way of knowing whether it's delivering any results, in terms of anything, because there is no evaluation. When we think about it that way, we need more money and we need more policy.

The Chair: It's your time, Mr. Martin.

Mr. Tony Martin: Thank you.

I want to continue on the question of sustainability. We support the need for legislation right up front so that we know where we're going and we're establishing a foundation that will give us some confidence that we'll actually get there. At the end of the day, we'll have something that is actually built on the research and flows from the science on this.

We want legislation because we need to make sure this is sustainable, and the provinces are saying that. We need to make sure provinces are accountable in terms of actually spending the money and not simply replacing other money. Then, of course, we also need to make sure that anything delivered is based on the QUAD principles.

I'd like to ask Mr. Bennett this. What is happening around the world in terms of legislation and child care systems? Are they framed in a legislative context? Do you have some comments on how that works or doesn't work?

•(1245)

Dr. John Bennett: Thank you, Mr. Martin. That's a good question.

Yes, there are many countries that in fact have legislated not just for young children in general, but for early education and care. Generally speaking, because of the nature of government in many countries—it is more and more decentralized—the central government will legislate in a very general way, setting out various principles and values that should govern the treatment of young children. It is then for the provinces, in your case, or the municipalities to make more specific regulations for the organization of early childhood education and care.

I was very much impressed by the questions of the Quebec member also. In Quebec, obviously the province is addressing pretty essential questions, like the questions of funding, legislation, and quality. These are the things we were trying to put across in our report.

We have visited many countries, and we know that unless a central government or the government in charge—in your case, the provincial governments—takes a real interest in young children and begins to take it in hand as a public responsibility, only then can we move forward to developing good services for children; to seeing that they're in safe circumstances; to seeing that they're in, as one of the other members said, places where there are good programs for them and where they can grow in health and in learning. This is what we are trying to do to push forward the agenda, and I'm pleased to see that many members of the committee are interested in doing the same things.

This must be a question of public interest, a question for governments to be involved in. We cannot continue to treat the question of the development of young children as if it were simply a private matter, a matter for business or families alone. There has to be government policy and government funding if we want to increase access. If we want to improve quality and above all preserve some equity in our societies, then the governments must be involved.

So to come back to the question of legislation, it is most important. Your role, the role of the members of the government in the future development of young children in Canada, will be capital to begin to study the question. Well, I shouldn't say "begin", because obviously you're well on the road to doing very good things. But the amount of knowledge that you have will also be increased by some of the members of the Canadian teams out there.

What we do must be based on good research, on what we know about children, on what the researchers are able to tell us, and how systems should be organized. These things will become systems. In our school system, we don't tolerate the whole thing being unregulated, that there are no programs in there, or that children go where they want to go or where they can go. It should be the same for young children: to provide public systems.

The Chair: Thank you very much, Mr. Bennett.

I was going to ask you to give a closing statement, although we do have one or two members who want to ask a question before we end the meeting. However, I think that was a wonderful general closing statement on your behalf.

Madame Skelton.

Mrs. Carol Skelton (Saskatoon—Rosetown—Biggar, CPC): I don't know whether it was a wonderful closing statement or not, Madame Chairperson. As a mother who raised her children at home, I find it offensive when someone tells me I didn't do a very good job of it.

I do have a problem with the report, though, because the provinces you visited were four have-not provinces, and you did not visit the biggest province in this country. Therefore, in some ways, you could look at this as a skewed report because you did not visit all the provinces of this country. I've heard over and over today that there is a provincial responsibility in this. I think it would have been much more beneficial if you had visited all the provinces in this country.

I want to make one note to the committee, too. I put a question on the Order Paper on October 27, 2004, and the government has not responded to it. I would like to table this for the committee and have the committee respond to this for me on behalf of the government.

I'd like to know what you have to say about—

• (1250)

The Chair: Madame Bakopanos has a comment. Excuse me, Madame Skelton.

Hon. Eleni Bakopanos: You cannot ask this committee to respond for the government, Mrs. Skelton. Those are the rules, so you have to table that back. You have a process and you know the rules very well. It's out of order.

Mrs. Carol Skelton: I would like to know why you didn't visit all the provinces in this country.

The Chair: I think I'll pass the question on to Madame Doherty.

Dr. Gillian Doherty: The provinces and territories were each issued with an invitation to have the OECD team visit. Four provinces responded by saying, yes, we would like that. I think that is your answer. Alberta got the opportunity and did not decide it wanted to take it.

The Chair: Excuse me, I'm sorry, was there any follow-up to this request on your part?

Dr. Gillian Doherty: It wasn't up to us. First of all, we were commissioned to do the background report. It was not really up to the OECD. They came at the invitation of the Canadian government. I think it is a reflection of the tension between the federal and provincial governments that, unfortunately, is part of the reality of being in a federal system. But I think it is unfair to imply, as I perhaps mistakenly understood the implication to be, that the OECD somehow picked the four provinces it wanted to visit. That is not accurate. It visited those that said yes, they would like to participate.

The Chair: Madame Beach.

Ms. Jane Beach: In fact, each province and territory was given one of three choices: they were given the option to invite and host

the OECD international team; they were given the option of not having them come and visit, but they could express an interest in what was going on and be kept informed of the proceedings; or the third option was just no interest at all. They were given those three choices.

The Chair: I will now go on to Ms. Christiane Gagnon.

[*Translation*]

Ms. Christiane Gagnon: I have a question for Mr. Bennett.

The national program that the government would like to introduce would cost \$5 billion over five years. That is not much, when you consider that in Quebec, the province in which I am an MP, is already spending \$1.3 billion on a similar program.

What action plan would you suggest to the government? It could not meet the needs of all children aged 0 to 4 years. What priorities should be established given the scale of the program that is to be introduced, and the reality of the funds available? That is my first question.

Second, the idea is to establish a national program with national standards. However, not all of the provinces appear to be equally keen about the bill or the program. It should perhaps be mentioned that areas of provincial jurisdiction need to be observed. If in a given province there is already a program that is functioning well, then we should move ahead with due regard to this fact. I know that the people here have worked very hard to encourage the government to think about this service, which I consider desirable. It already exists in Quebec and we are very happy with it. However, the process under way has some gaps. We would like to make a positive contribution to ensure that the measure is adopted, without, however, betraying Quebec.

The Chair: Could you remind me to whom this question was addressed, Ms. Gagnon?

Ms. Christiane Gagnon: To Mr. Bennett, and I think he understood it was for him.

[*English*]

The Chair: Mr. Bennett, the question is for you.

Dr. John Bennett: Thank you. If I may, I'll take the second question first and I'll hand over the question of priorities to Mr. Hasan.

Before going on to your question—and thank you again for a good question—I would like to react very strongly against the previous question, which suggested that we criticize parents for rearing their children. That is not the case. We are not pushing early childhood education and child care on any society. We are simply looking at the reality of things at the moment. Over 70% of women in Canada work, and who cares for the children? We would like children to be cared for in all countries in the best way possible. That is why we suggest to governments to take this as a serious issue and to take responsibility to help the parent to provide child care and early education as much as possible.

Now, may I come back to your question? Your second question concerned the relationship of the federal government to the provinces. Basically, it's a question we cannot answer here in the OECD, but I can give you some examples of how other countries handle it. The central government—the federal government, perhaps, in your case—will identify the basic principles and values that underlie the education and care of young children in a country. What are the Canadian values? What do you want for your young children? But as to the actual specificities of what is to be done, that is a question for the next level of government.

We have also said in our report that whatever type of early education and care is adopted, it must be culturally sensitive because the provinces differ from each other, but also within the provinces groups differ from each other. We cannot impose on parents types of care and education they do not want. Whatever happens, we need to be culturally sensitive. This is the case with the aboriginal peoples.

I'm sure, in any case, from what we see from a distance—because as I said, we regret very much not being able to visit Quebec—Quebec is well able to take charge and is taking charge in a very responsible way of the future of its young children.

●(1255)

The Chair: Mr. Hasan, you have just a little time to add to this answer.

[*Translation*]

Ms. Christiane Gagnon: There was discussion of \$5 billion over five years.

The Chair: There are three minutes left.

Ms. Christiane Gagnon: It was for Mr. Hasan to reply.

The Chair: That is what I just said, Ms. Gagnon. I give everyone the time to which they are entitled.

Mr. Hasan, go ahead.

[*English*]

Dr. John Bennett: On the question of priorities, what should our priorities be? Obviously, one needs to know in great detail what a country needs and what parents need. In terms of priorities, of course, I think countries would do well to look at the children of the low-income groups, the groups who are marginalized to some extent. These are the children who need early education and care more than anybody.

But the research indicates to us that these children are better looked after within a universal program, a program that is open to all children. Placing the children from low-income backgrounds together does not seem to benefit these children as much as if they are in a country-wide, universal program.

The same is true for schooling. Create schools in ghettos and the results are not as good as if you have a universal-type school.

I hope I've made myself clear on that.

The Chair: Thank you very much, Mr. Bennett. I will now go on to the penultimate question.

Madame Bakopanos, I would ask you to make it very short.

Hon. Eleni Bakopanos: There were supposed to be alternates, but we can discuss that another time.

I want to thank Mr. Bennett and Mr. Hasan for some of the recommendations in there, which I think the government, since the report and the study were done, have in fact taken into account in terms of how we are trying to build this national framework.

My quick questions is this. According to what I've read, there is supposed to be a follow-up report in the spring of 2005. Have you taken the Quebec experience into account in bringing out this report, even though you haven't had a chance to visit? And at the same time, have you taken into account in the last year some of the progress that's been made between the federal government and the provincial and territorial governments, who've been trying to get together to collaborate to establish a national framework?

●(1300)

Dr. John Bennett: Yes, we're preparing a report. It won't appear in spring; it will probably appear in the winter of this year. In the meantime we've sent out a questionnaire to all the countries to update us on what has happened since the review.

I don't know, but perhaps our Canadian colleagues will update us on what is taking place in Quebec. Normally we do mention the countries we have visited, because we have some knowledge of these countries.

The Chair: Excuse me, Mr. Van Loan.

Mr. Peter Van Loan: On a point of order, is it this winter or next winter?

The Chair: It's spring 2005.

Mr. Forseth, you have the last question.

Mr. Paul Forseth (New Westminster—Coquitlam, CPC): Thank you.

Certainly all this material is going to be helpful for the ongoing debate and discussion. All the material is helpful as Canada moves forward.

The provinces also will be doing their own research. This is not the only policy material. There'll be many others working.

Can you give us some benchmark direction perhaps as to countries that are doing it right or have a better mix of product? Today I've heard that the Australian model was not seen to be the way to go. Based on what I've seen here, it almost looked as if you were outlining that the old Soviet Union maybe was the better solution.

Can you give us some examples as to what country right now is going in the right direction? Benchmark comparability is very useful to help us decide which way to go when we come to a fork in the road.

The Chair: Perhaps I was not listening, but I didn't hear the name of the Soviet Union mentioned by anyone here.

Mr. Paul Forseth: Not specifically, but when you look at the materials—

Mr. Peter Van Loan: That's the implication: state-run monopoly day care is the best model.

Mr. Paul Forseth: I have asked a clear question. Do you have a couple of countries in mind that appear to have a mix of things that are somewhat better and that we can look at for benchmark comparability?

The Chair: Who is your question addressed to, Mr. Forseth?

Mr. Paul Forseth: Anyone who has that answer.

The Chair: Is there anyone who wishes to answer?

Dr. Bennett.

Dr. John Bennett: Obviously the Nordic countries are far in advance of any other countries when it comes to the early education and care of young children. This started over 50 years ago, so they are very expert in the policies. They have very high quality. The services are well organized.

If you're interested in looking at a country at the moment that is making great progress, you might wish to look at the U.K. In the United Kingdom there is now a great deal of investment going into

young children. There is a great deal of questioning of policy—how do we move forward, how much financing do we need, what are the quality criteria we should have in our services, how do we train people? These are the types of things coming up in this debate this afternoon.

We know that where quality is concerned the fundamental criterion is how well educators are trained.

The Chair: Thank you so much, Mr. Bennett.

Thanks to everyone, to Mr. Bennett, to Mr. Hasan, Madame Doherty, Madame Friendly—Madame Friendly, happy birthday again—and to Madame Beach. We appreciate very much your interventions. I think we see two political models almost confronting each other today, but we will go on further.

I would like to remind our members that our next meeting will be next Tuesday morning at 11 o'clock in room 705, just across the hall from here.

Thank you so very much.

The meeting is adjourned.

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