



**Submission to the Standing Committee on Finance  
on the 2011 Pre-Budget Consultations**

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Established in 1922, the Canadian Paediatric Society is a voluntary, not-for-profit organization representing some 3,000 paediatricians and other paediatric health specialists

## **Early Childhood Development – Social & Economic Benefits**

There is strong and growing evidence that public investment in high-quality early childhood development programs leads not only to proven benefits to children and families, but also to governments and national economies.

Numerous Canadian and international evaluations<sup>1</sup> confirm that high-quality childhood education and care enhances children's cognitive and social development, and that they benefit from higher levels of school achievement,<sup>2</sup> higher earnings, better health, lower rates of teenage pregnancy, less dependence on welfare, and less likelihood of criminal conduct. And, perhaps not surprisingly, those living in poverty benefit the greatest.<sup>3</sup> Cost-benefit estimates range from \$3 to \$18 for every \$1 invested in such services.<sup>4</sup>

## **Early Childhood Development in Canada**

In 2008, Canada was last in a UNICEF evaluation of early childhood services in 25 economically advanced countries—well below countries like Slovenia and Mexico. The evaluation was based on information submitted by the countries themselves. Out of 10 benchmarks of the minimum standards for protecting the rights of children in their most vulnerable and formative years, Canada achieved only one—for its 80% level of training for all child care staff—as did most of the other 24 countries. UNICEF recommends 1% of GDP be spent on early child care and education. We spend 0.2%—one-fifth of the recommended rate.<sup>5</sup>

About 70% of Canadian mothers work outside the home—the vast majority because of economic necessity. Their incomes are essential to pay household expenses. There is good evidence that the availability of reliable, affordable, high-quality child care services enables parents to participate more readily, and more reliably, in the workforce and to contribute to economic growth. To meet that demand, all provinces and territories now have early childhood programs, and many are instituting various practices to improve them, but standards, access and quality vary widely across the country.

Perhaps the biggest complaint from parents is the problem of finding quality child care: governments are not providing enough licensed spaces and families are on wait lists for months. If they are not lucky enough to get accepted, children are placed in unregistered daycares—sometimes with substandard levels of care.<sup>6</sup> Despite some government efforts, those in remote or rural areas or with special needs children often face an even more bleak situation.<sup>7</sup>

And as for costs, with the exception of Quebec, child care is one of the major expenditures for Canadian families—up there with rent, mortgage payments and car loans. While we applaud the federal government's \$100 monthly taxable childcare benefit, this investment needs to be enhanced if it is to have a meaningful impact for working parents of modest income, and for those who wish to enter the workforce.

## **The European Approach**

In Europe, most countries provide all children with at least two years of free access to publicly funded early education services for those aged 3 to 6 years before they begin primary schooling, often in programs attached to schools, and is regarded as a statutory right from the age of 3 years. Several of them, as well as New Zealand, have already reached the European Union's target to supply subsidized full-day places for one-third of children from 0-3 years, and over 90% for all children from 3-6 years, although with different levels of quality.<sup>8</sup>

## What Path Should We Take

It is clear that the current systems are not responding adequately to the needs of the Canadian public. The Senate Committee on Social Affairs, Science & Technology, in its April 2009 report, *Early Childhood Education and Care: Next Steps*, pointed out that, while there are good federal and provincial programs, such as Aboriginal Head Start and the Canada Prenatal Nutrition Program, there are many other deficiencies in our systems: the Child Tax Credit does not benefit low-income families, especially those with special needs children, child care and education are generally not integrated, nor seen as part of a continuum, significantly different skills and qualifications are required for workers in child care and education, the lack of equitable access across the country, etc.

If Canada is to flourish—both economically as well as socially—and especially given the increasingly knowledge-based economy in which we live, we need to re-assess our approach to early childhood services.

**The Canadian Paediatric Society recommends that the federal government, in close collaboration with provincial/territorial governments, evaluate current programs and policies on early childhood education and care, including tax provisions, to determine how they can be optimized to meet our current and future needs, both social and economic, as a preliminary step in developing a more comprehensive national strategy which, among other things, establishes uniform standards, access and quality across the country.**

**We also recommend that investment in early child care and education be increased, at a minimum, to 0.4% of GDP, as noted by the OECD, and all federal transfer payments earmarked for such expenditures be spent by provincial and territorial governments on these programs.**

An integral part of this process will be monitoring and evaluating in order to understand the determinants of healthy child development, stimulate dialogue and problem solving, inform policy, and examine the effectiveness of interventions across all Canadian jurisdictions.

**We therefore recommend that all governments together develop a robust monitoring system, support the analysis of the data, and work collaboratively to provide solutions in order to improve the health and well-being of young children.**

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3. Adamson (2008).
4. Mary Jo Haddad. Children's Health Care: What's Next. May 2005, p. 7, cited in Dr. K. Kellie Leitch, Reaching for the Top: A Report by the Advisor on Healthy Children & Youth, Minister of Health, 2008.
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Canadian Broadcasting Corporation (CBC), Your Child-Care Report, 23 February 2009.
7. Early Childhood Education and Care: Next Steps Report of the Standing Senate Committee on Social Affairs, Science & Technology, April 2009.
8. Bennett, John Early Childhood Services in the OECD Countries: Review of the Literature & Current Policy in the Early Childhood Field, UNICEF Innocenti Working Paper, August 2008