

Policy implications

Improving child development is a question of improving the environments in which children grow up, live and learn...The issue is one of 'universal access' to environments that will support healthy child development, not just one of protecting those at high risk. Hertzman, 2000, p. 15.

7.1 INTRODUCTION

The lessons learned from the research literature reviewed in the previous chapters can be summarized as follows:

- The majority of young children living in low-income families are developing at a normal rate, as are the majority of young children living in lone-parent families.
- Factors associated with compromised development and developmental problems themselves occur across all income groups and among children in both lone- and two-parent families. Many more children live in middle- and upper-income families and in two-parent families than live in poverty and/or with a lone parent. As a result, while the incidence of risk is higher among children from low-income and/or lone-parent families, **numerically** there are more children at risk living in middle- and upper-income two-parent families.
- We know a great deal about what threatens children's optimal development; however, we do not have a good mechanism to identify at-risk children reliably or at an early age. Relying on the traditional 'markers' of neighbourhoods with a high concentration of low-income and/or lone-parent families to determine where to implement programs intended to enhance development among at-risk children has inherent limitations. This method inevitably excludes a substantial number of children who are at risk as a result of other factors, for example, a hostile parenting style or living in a dysfunctional family.
- Parenting education and/or parent support programs on their own do not result in improved developmental outcomes for children deemed at risk for developmental

problems even though they sometimes result in increased parental knowledge about child development and/or changes in parenting practices. Parent support programs in conjunction with a centre-based group program for the children may benefit the children's development. The extent to which the children benefit depends on the intensity of the children's group program and the types of experiences provided by it.

- The most effective way to enhance the development of children deemed to be at risk for developmental problems is through a centre-based program where challenging but developmentally-appropriate activities ¹ are provided to small groups of children by supportive adults who understand child development and how to encourage it. Research also demonstrates that such programs support and promote the development of children whose development is not deemed to be at risk.
- Neither children whose development is at risk, nor children not deemed to be at risk, benefit from poor quality group programs for children that fail to provide adequate levels of support and stimulation. In fact, such programs constitute a threat to children's development regardless of the child's family background.
- The age at which the child begins the group program matters. Development is sequential and the developmental tasks that need to be mastered by the child at age four and five are dependent upon a scaffold of competencies developed at an earlier age. Research indicates that high quality group programs for children are more effective in enhancing the development of at-risk children when the children begin attending them prior to age three. In the U.S., the preschool Head Start program has been supplemented by an Early Head Start program for children under age three.
- The amount of group program received by the child matters. There is growing research evidence that full- rather than part-day group programs are more effective. In the U.S., both Early Head Start and Head Start centres are increasingly providing full-day rather than part-day programs.

This chapter looks at the policy implications of the research discussed previously by exploring:

- Where do many young children spend the majority of their waking hours? To what extent are these environments supportive of child development? Is the current situation likely to continue?
- To what extent is the current approach to targeting consistent with what we know about what is required to promote young children's development?

The chapter concludes that:

- Prior to school entry, a very substantial proportion of Canada's children spend long periods of time in child care that may fail to provide adequate stimulation and therefore is a threat to their development. This situation will continue unless governments take decisive action.
- Targeting as currently practised in Canada does not serve the best interests of children at risk. First of all, most targeted programs select their participants on the basis of the socio-demographic characteristics of the neighbourhood in which the children live. This means that many at-risk children are excluded because they live in a community that is not considered to be high risk. Second, most targeted group programs in Canada only begin to serve children when they are over age three and only provide a part-day program. Thus, they start at an age when the child may already lack the basic competencies to master the developmental tasks faced at age four and five and fail to provide an adequate intensity of programming.
- The most effective way to promote the healthy development of *all* children is through affordable group programs for children that provide a supportive environment and adequate levels of developmentally-appropriate activities (i.e. high quality child care) for any child whose parent wishes to use the service.
- Provision of high quality, affordable child care for all children whose parents wish to use the service could be accomplished through additional public funding in association with reasonable parent fees and would result in a net financial benefit to society.² The first way society would benefit would through a reduction of the need for grade repetition and/or special education for children who entered school lacking basic school-readiness. In the U.S., the cost of repeating a grade is estimated to be about \$6,000 per year per child while the cost of special education is estimated to be roughly \$8,000 per child annually.³ The second way in which society would obtain financial benefit would be through increased parental employment resulting in increased income tax revenue and decreased reliance on social assistance. Society would also benefit through increased employee productivity and an increase in Canada's ability to be competitive in the global market place.

7.2 Children's environments

7.2a *The high use of child care*

The family, in all its diversity of forms, is the environment common to all young children prior to school entry. It is *not*, however, the environment in which many spend the majority of their waking hours. In 1999, 61% of all women with at least one child under age three were engaged in the paid labour force.⁴ Among mothers whose youngest child was between age three and five, the labour force participation rate was 69% in 1997.⁵ Participation in the labour force by mothers with young children occurs across both lone- and two-parent families. According to census data, in 1996 there were 679,945 *two-parent* families where the youngest child was under age five and both parents worked.⁶ It should be noted that the number of children under age five in families where both parents are in the labour force will be greater since some families have more than one child in this age range. Parents usually cannot look after their children during the time that they are engaged in paid work. With current high levels of family mobility, grandmother and other relatives may live miles away or in another province, territory, or country. Even if she is in close proximity, grandmother may not be available to assist. In 2000, 62% of women between the ages of 45 and 65 were engaged in paid employment.⁷

Most women who are engaged in paid employment, 67% work full-time.⁸ Other women with young children are involved in post-secondary education as a means of increasing their employability or are participating in job training courses. Like their peers in the labour force, they require child care during those hours when they are otherwise engaged. The federal government has estimated that a child in full-time child care spends nine hours a day, five-days-a-week in the child care setting⁹ – a period of time that, for infants and toddlers, represents more of their waking hours than is spent with the parents. In spite of the availability of one year of parental leave, just over half of employed women, 52%, return to work within six months after giving birth and within a year 86% have returned to work.¹⁰ For many women the primary reason for this early return is financial, the amount of money they receive from the government does not compensate for their lost income.

Where are the children? In many cases, for many hours, they are in child care. They are in this situation during the period when they are developing the basic skills that will be the scaffold for later learning and for almost the equivalent amount of time that they will spend in class in elementary and secondary school combined. The federal government has noted that, "A child entering child care at six months of age would receive 10,125 hours of care by age five." In contrast, "A child receives a total of 13,680 hours of class time in grades 1 through 12."¹¹

7.2b *Is Canadian child care supportive of child development?*

Research studies have shown that living in a home that supports children's development does not protect children from the negative consequences of spending substantial periods of time in a child care setting that lacks developmental opportunities.¹² Therefore, the extent to which the child care received by Canada's young children supports and promotes their development is crucial for the country's future.

In 1994/95, the most recent year for which statistics are available, 61.7% of children under age five who were receiving child care on a regular basis received it in an *unregulated* situation.¹³ Unregulated child care does not have to meet any standards, not even those pertaining to health and safety, nor is it monitored by the government in any way. In contrast, regulated child care, whether centre- or home-based, has to abide by certain regulations pertaining to health and safety and the maximum number of children for whom one adult is responsible. All but two jurisdictions also require specialized training in early childhood development for at least some staff in each centre,¹⁴ and some require training for regulated family child care providers.¹⁵ Some unregulated child care situations may provide the warm, responsive care and the types of stimulation needed for children's development. However, research studies in both Canada¹⁶ and the United States¹⁷ have consistently found that unregulated child care as a whole is less supportive of children's development than regulated child care.

While research indicates that the quality of regulated child care is, as a whole, higher than that found in unregulated situations, regulation alone cannot guarantee the type of daily support and stimulation children need for their optimal development. Recent Canadian multi-jurisdictional studies found that safe environments, with warm, supportive adults are the norm in Canada's child care centres¹⁸ and regulated family child care homes.¹⁹ Unfortunately, however, only about a third of the centres and about a third of the homes were providing experiences that clearly support and encourage children's social, language and cognitive development.²⁰ Thus, Canadian child care continues to be characterized by lack of adequate stimulation to support children's development at a time when historic numbers of infants, toddlers and preschoolers are spending substantial periods of time in child care settings.

Are the child care environments in which many young children spend substantial periods of time supportive of their development? For many children the answer is "No." Most situations probably protect health and safety but the majority of children are not receiving the types of support and the experiences essential for the development of the skills they need to be ready for school.

7.2c *Why does the current situation exist?*

The high use of child care — most often care that is unregulated — exists for at least three reasons:

- The high rate of employment in the labour force by women with preschool-aged children, as already discussed.
- The cost of regulated child care.
- The shortage of regulated child care spaces.

The lack of adequate levels of stimulation to support children's development in many child care settings reflects a combination of: (1) the effect, sometimes unintended, of current provincial/territorial regulations, and (2) the current heavy reliance on parent fees to cover program costs.

Reasons for the use of unregulated child care

Parents often use unregulated child care because they cannot afford regulated care. Unlike kindergarten and targeted programs for children deemed at risk, regulated child care is not free-to-the-user. In 1998, the average monthly fee across Canada for full-day, centre-based child care was \$531 for infants, \$477 for toddlers, and \$455 for preschoolers.²¹ Thus, a family with an infant and a toddler or preschooler would have to pay just under \$1,000 a month in *after-tax* dollars for regulated centre-based child care. In 1997, 47.6% of families with one or more children earned less than \$50,000 before taxes.²² For such families, \$12,000 a year in *after-tax* funds represents a substantial portion of the family budget and often is not affordable. Child care fee subsidies are geared to low-income families through income ceilings for eligibility and, in some jurisdictions, may not be available for all eligible families because of ceilings on the fee subsidy budget or the number of subsidized spaces. In 1998, only 31% of children in regulated child care were receiving full or partial fee subsidies.²³ The Child Care Expense Deduction is often of little value to modest- or middle-income families because it must be deducted from the lower income when both parents work. When the income tax bracket of the lone- or lower-income parent is low, the deduction amounts to only a fraction of the actual cost.

A second reason for the high use of unregulated care is the fact that regulated child care spaces are in short supply. Government child care space statistics indicate that there are only regulated spaces for between four to 15% of children under age twelve, depending on the jurisdiction.²⁴ Infant and toddler spaces, perhaps because they are more expensive to provide, are particularly difficult to find.²⁵

Reasons for the lack of adequate levels of stimulation

While safe environments with warm, supportive adults are the norm in Canada's regulated child care settings, only approximately a third of them provide the types of stimulation required to foster children's development, i.e. high quality child care.²⁶ In addition, the majority of children receiving regular child care receive it from unregulated providers who do not have to meet even basic standards for health and safety. The current situation reflects a combination of the effect of provincial/territorial regulations and the need for child care programs to rely heavily or primarily on parent fees for their operating revenue.

Canadian regulations pertaining to adult/child ratio and group size in the majority of jurisdictions are at or close to the levels recommended by child care experts.²⁷ However, this is not the case for the regulations pertaining to specialized post-secondary training for people providing child care even though research has consistently documented the importance of such training for high quality programs. No jurisdiction meets the desirable level of a two-year post-secondary Early Childhood Care and Education (ECCE) credential for all centre-based teaching staff, and only two jurisdictions require that at least one teacher working with a group of children have this level of specialized training. Only five jurisdictions require family child care providers to take any specialized training.²⁸ In some jurisdictions, current regulations actually act as a disincentive for an unregulated family child care provider to become regulated, even though so-doing might increase her access to training and other supports associated with higher quality such as provider peer-support networks.²⁹

Right across Canada, except in Québec, child care programs have to rely heavily for their revenue on parent fees. At the same time, they have to keep their fees as low as possible so that parents can afford them and the program can keep its spaces filled and thus continue to operate. Once child care centres have covered their fixed costs related to wages and benefits, rent or mortgage, and utilities, on average less than 3% of their budget remains to cover food, toys and equipment, maintenance and repair of the physical facility, and in-service training for staff.³⁰ Operating on such a tight budget not only keeps wages low, a factor proven to fuel high turnover rates which in turn are associated with poor quality programs, it also means very little money for assisting staff to keep informed about new knowledge or for program materials and activities.

7.2d Is the current situation likely to continue?

All the evidence indicates that high rates of labour force participation by mothers who have young children will continue. For many lone mothers, employment in the paid work force or receipt of social assistance is essential to provide food, shelter and clothing for their children. In some two-parent situations, neither parent's wage is sufficient by itself to maintain the family above the poverty level. In 1996, 10.5% of two-parent families with children were poor. If both parents had not been working, the poverty-rate for two-parent families with children would have been 21.4%, that is, double.³¹ In other two-parent families, the second income is needed to provide the children with developmental opportunities, such as organized sport which, in turn, assists the development of children's peer social skills and ability to work in a team. Even when two incomes in a family are not currently crucial, the second income provides back-up security. If one parent loses his or her job, the second income may be all that enables the family to provide food and shelter for its children. The financial pressure on mothers to engage in paid work is illustrated by the high proportion of women who return to work within six months of having given birth.

Mothers also work to maintain their employability and/or their personal long-term financial security – a critical consideration in light of the high rates of marital break-down. Workplace knowledge and technology is expanding at an ever increasing rate. The longer a woman is out of the work force, the greater the likelihood that her knowledge and skills will become obsolete thus reducing her ability to obtain a good job. An extended absence from the paid work force not only decreases life-long income, it may also reduce the size of the woman's Canada/Québec Pension Plan upon retirement.³²

Some mothers might choose not to work outside the home prior to their youngest child's entry into the formal school system if the government paid an allowance that substantially compensated for lost income. This is highly unlikely to occur for at least two reasons. First, such an allowance would be extremely expensive for the government in terms of costs incurred and lost revenue from income tax. Second, Canada needs women in the work force. In 1999, women accounted for 46% of the paid workforce.³³ The loss of a substantial proportion of these women would have a negative effect on Canada's ability to be competitive. The need for women's labour force participation will steadily increase over the next decades as the baby boom generation moves into retirement. Not only will the potential pool of employees decrease, with increasing longevity there will be an increase in the number of retirees being supported by current income tax payers.

In summary, the high rate of labour force participation among mothers of young children is likely to continue. The undesirable high use of child care situations that fail to promote children's development will also continue unless governments address the need for adequate training for child care providers and adequate operating funds for child care settings so that they do not have to depend so heavily on parent fees for their revenue.

7.2e *Summary*

A substantial number of Canada's young children spend approximately nine hours a day, five days a week in a child care setting starting when they are infants. This is a situation that is unlikely to change. Many of these environments fail to provide what is required to support and promote children's development and therefore put children at risk for developmental problems even when they were not originally vulnerable. Large numbers of young children will continue to spend substantial periods of their waking hours in child care environments that fail to support their development unless governments recognize that the provision of high quality child care requires specific training and the provision of government operating grants to child care programs.

7.3 **The impact of targeting**

Targeting as currently practised in Canada neither serves the best interests of children whose development is at risk nor that of other children. Instead, targeting may actually contribute to increasing the number of children who lack school readiness at school entry.

7.3a *The failure to address the needs of at-risk children*

Targeting as presently practised in Canada fails children whose development is at risk in the following four ways:

- The reliance on neighbourhood socio-demographic characteristics to determine where to operate targeted programs means that many children who are vulnerable to developmental problems are excluded because they live in a community that is not considered to be high risk.
- Most targeted group programs providing early childhood care and education serve children between the age of three and five. However, development is sequential. The developmental tasks children need to master at ages three and four in order to be school-ready require a good scaffold of competencies developed at earlier ages. This scaffold may be inadequate if the child's earlier environment has not provided sufficient stimulation and support. In the U.S., the preschool Head Start program has been supplemented by an Early Head Start program for children under age three.

- Targeted group programs for children typically provide only a three-hour experience four or five days a week and some do not operate during the summer months. When the children are not in the targeted program they either are in a home environment deemed to place their development at risk or, if the parent is working or engaged in skills training, in a child care situation that may lack adequate levels of stimulation. Several child development experts have questioned whether a part-day program for one or two years is of sufficient intensity to bring at-risk children's school-readiness even close to that of peers whose development was not at risk.³⁴ In the U.S., both Early Head Start and Head Start centres are increasingly providing a full- rather than part-day program.
- The current part-day delivery of targeted group programs fails to support efforts to address child poverty, a major contributor to developmental problems. Poverty puts children's development at risk through factors directly related to the family's low-income such as inadequate nutrition and living in substandard housing. Assisting parents to engage in paid work that has an adequate salary is an effective method of reducing poverty. In 1996, 10.5% of two-parent families with children were poor. If both parents had not been working, the poverty-rate for two-parent families with children would have been 21.4%, that is double.³⁵ A part-day program for children limits parents' ability to engage in full-day academic upgrading or specific job training in order to become more employable. It also limits their ability to engage in full-time employment, unless they can obtain inexpensive child care. As a result, parents' ability to improve their family income and through this the environment in which their children live is limited.

7.3b The failure to address the needs of children who are not at risk

Many children whose homes do not put their development at risk spend considerable periods of time, often from infancy, in child care. Canadian research reports that experiences that support and promote children's development are more frequently found in regulated than in unregulated child care.³⁶ However, as noted in Section 7.2c, many employed parents cannot afford or cannot obtain regulated child care. Also, as noted in this section, only about a third of regulated child care settings provide the types of experiences that promote children's development. This situation reflects a combination of inadequate regulations pertaining to caregiver training in the majority of Canada's jurisdictions coupled with the need for programs to rely heavily on parent fees for their revenue.

7.3c *Conclusions*

The current targeting of early childhood services, either explicitly through programs such as Head Start or de facto as is the case of regulated child care, fails to meet the needs of Canada's children. As documented in Chapter 6, high quality ordinary community child care centre programs support and enhance the development of *all* children, including those deemed to be at risk for developmental problems as a result of environmental factors. Given the high use of child care for Canada's young children the most effective and efficient approach to enhancing the development of *all* children would be through a high quality, universal, publicly-funded early childhood education and care program for all parents who wished to use it. The following section addresses the concerns that have been expressed about the cost of such a program. It does so by beginning with a demonstration of the high price society is paying for the current situation and then by confirming that society would actually reap a financial benefit from the availability of universal, high quality child care.

7.4 **Cost/benefit analysis**

Many continue claim that Canada cannot afford universally available and accessible high quality child care, even if part of the cost is covered by parental fees geared to parental ability to pay. The following section demonstrates the reality that Canada cannot afford to permit the current situation to continue.

7.4a *The multiple and high costs of inaction*

The high cost to children themselves when they spend significant portions of time in unstimulating environments is well-known and well-documented. Therefore, this section looks at some, but not all, of the other negative effects and costs to society of the current situation:

- The high cost of school drop-outs.
- The failure to reduce dependency on social assistance.
- The restriction of the potential pool of workers.
- The reduction in employee productivity.
- The failure to reduce child poverty.

Society also incurs costs through the greater use of the juvenile and adult justice systems by people who failed to learn how to control their aggressive, impulsive behaviour as preschoolers, had problems in elementary school, and became involved in deviant behaviours as young teenagers.³⁷ Reviews of the research literature have concluded that assisting children to develop social skills and the ability to handle stress and frustration at

an early age is much more effective than interventions with a child who is already showing delinquent behaviour.³⁸ There is also evidence that children's early experiences influence their later susceptibility to hypertension, adult-onset diabetes and heart disease and thus the extent of their use of the medical system.³⁹

The high cost of school drop-outs

Children who lack school readiness at the time of school entry have higher rates of grade retention and use of special remedial services, both of which result in additional cost to the taxpayer, and are at increased risk of dropping out of high school. In the U.S., the cost of repeating a grade is estimated to be about \$6,000 per year per child while the cost of special education is approximately \$8,000 annually per child.⁴⁰ The estimated drop-out rate in Canada is 14%,⁴¹ resulting in a substantial number of people who will face increasing difficulty obtaining and maintaining employment as the use of technology increases. A study by the Conference Board of Canada estimates that the total loss to society due to failure to complete high school is \$4 billion annually.⁴² This estimate includes lost income tax revenue and the cost of providing government assistance during periods of unemployment. If drop-out rates were cut by about one-third, the overall benefit to society would be about \$1.2 billion a year.⁴³

Failed attempts to reduce dependency on social assistance

About 58% of lone mothers with young children receive social assistance, only about 20% of these report that they engage in full-time/full-year employment.⁴⁴ Several provinces have made concerted efforts to reduce usage of social assistance among lone mothers who have preschool-aged children by requiring them to actively seek employment, engage in job training or do voluntary community service as a condition of receiving benefits. However, experience in both New Brunswick⁴⁵ and Ontario⁴⁶ documents that reliable child care is an essential component for the success of these attempts to foster economic self-reliance. Lack of such care is a major barrier to exiting social assistance because it prevents participation in educational up-grading and job training. In 1998, the number of available regulated spaces would have accommodated between four to 15% of the child population under age 12, depending on the province.⁴⁷ Use of unregulated care is less dependable since the caregiver may not have back-up for periods when she is ill or otherwise unavailable. It also means that the child of a low-income, single mother who otherwise might have been the target of a special compensatory program such as Head Start instead is placed in a situation that may not foster development.

Mothers who exit social assistance often do not end up much better off financially by being employed. When a mother on social assistance enters the workforce her social assistance benefits decrease as her wage increases, her earnings are subject to income and other taxes,

and she faces work-related costs such as child care, work clothing and transportation. A recent study calculates that without at least some subsidization of child care costs, a lone mother earning \$20,000 annually would only be better off by \$3,000 a year as a result of engaging in paid employment.⁴⁸ Lone mothers who do not have the skills to qualify for jobs paying this type of salary have even less potential to improve their financial situation by engaging in paid employment. Faced with this scenario, the additional work and stress associated with being employed makes no sense so it is not surprising that some mothers leave their jobs and go back to reliance on social assistance.

The restriction of the potential pool of workers

In 1999, women accounted for 46% of the workforce.⁴⁹ As noted by the Vancouver Board of Trade, “*Our economy cannot meet the demand for workers without women in the workplace.*”⁵⁰ The demand for women in the workforce is going to increase. Canada’s birthrate dropped below what is required to replace the population in the late 1970s and has remained below replacement level ever since.⁵¹ With elderly people living longer, there is an increasing proportion of dependents (children and retirees) relative to the size of the working age population. The current lack of affordable child care that can be depended upon to be there when needed and that the parent trusts is a major barrier to women’s work force participation, both in terms of their decision to engage in paid employment and in terms of whether to work on a full- or part-time basis. Two recent studies by Canadian economists using Canadian data illustrate this fact. Lisa Powell reports that among married women with preschool children, the rate of employment would increase by 38% if child care costs were fully subsidized. Child care subsidization would have a particularly strong positive effect on the mother’s decision to work full- rather than part-time.⁵² Using data from the *Canadian National Child Care Survey*, Cleveland and Hyatt show that a 10% increase in the price of child care reduces the likelihood of a lone-mother remaining in the paid labour force by nearly 7%.⁵³ Similar evidence that child care costs have a substantial negative effect on mother’s employment decisions comes from research conducted in the U.S.⁵⁴

Reduced employee productivity

Employee productivity is decreased as a result of the current situation in two ways. First, by the high rate of school drop-out which reduces the proportion of available workers who have the knowledge, skills, and ability to be innovative, and second by its impact on parents currently in the workforce. A Canadian survey of 1,600 organizations, and more than 11,000 public and private sector employees, found that workers experiencing difficulties juggling family and work responsibilities missed an average of four-and-a-half days from work during the previous six month period. In comparison, workers reporting no difficulties

missed an average of two-and-a-half days during the same time period.⁵⁵ It cannot be assumed that the juggling difficulties reported were all child-related. However, it is reasonable to assume that at least some involved situations such as being unable to find a last-minute replacement when the unregulated child care provider is ill. Other researchers have reported that parents having difficulty with their child care arrangements not only are absent more often, they are also more likely to come in late or leave early and to have more stress-related health problems.⁵⁶ All of these factors reduce work productivity.

The failure to reduce child poverty

The number of children under age seven living in poverty rose from 21% in 1991 to 25% in 1996.⁵⁷ Access to affordable, reliable child care is a major barrier to employment for many poor parents who cannot obtain a fee subsidy or only one that covers a small proportion of the full fee. As noted by the National Council of Welfare in a document that includes a discussion of what is required to address child poverty:

The centrepiece of family policy must be a system of affordable, high quality child care. Child care is the essential ingredient in the workforce participation of parents of young children – especially mothers. Good child care is also an excellent way to provide better early childhood education that ensures that all children have an equal chance at good development. National Council of Welfare, 1999, p. 1.

7.4b Investing in our society

Two University of Toronto economists, Cleveland and Krashinsky, have demonstrated that society would obtain a net benefit of \$5.2 billion annually if it provided high quality, full-day child care for all two- to five-year-old children whose parents wished to use it.⁵⁸ This estimate is based on increased parental employment and hence revenue for governments through income taxes and costs not incurred for academic remediation. It also assumes a 20% parental contribution through fees scaled to income. Cleveland and Krashinsky note that they *under-estimated* the net benefit since they did not factor in the value of the income tax revenue from the significant number of new jobs that would be developed in the child care system. Another Canadian economist, Ruth Rose, observes that people working in child care are consumers. This means that the money they spend will generate other new jobs and other tax dollars.⁵⁹

It would be unrealistic to assume that the provision of universal high quality child care would ensure that all children graduate from high school with good literacy and numeracy skills and the ability to work well with others and to be innovative. It *is* realistic to assume that a substantially higher proportion would do so than is now the case. However, as noted

by both Canadian⁶⁰ and American ⁶¹ experts, ensuring school readiness is necessary but not sufficient. The ability of the receiving school to support and enhance continued development is critical. This ability includes having sufficient resources for programming materials and having well-qualified, motivated teachers who set high but realistic expectations and engage in positive interactions with the students.

7.4c Conclusions

Provision of high quality, publicly funded universal child care is affordable and sustainable. It is also essential to reduce the high price being paid by society for the current actual and de facto targeted approach to the provision of early childhood care and education programs.

7.5 Summary

Research has identified several variables in addition to low family income and living in a lone-parent family that put children at risk for developmental problems. However, we currently do not have good mechanisms to identify at risk children reliably or at an early age. Research also clearly indicates that the most effective intervention with children at risk is the provision of a high quality centre-based early childhood program, preferably on a full-day basis.

Currently, a substantial number of Canada's young children spend approximately nine hours a day, five days a week, in child care that may fail to provide what is required to support and foster their development. Major reasons for this situation include the lack of sufficient regulated child care spaces, the inability of many parents to pay the fee for a regulated child care space, and the lack of regulatory and financial supports to enable all regulated spaces to provide the types of stimulation children need. The current targeting of publicly-funded early childhood care and education programs – either explicitly in Head Start and similar programs or de facto in regulated child care – works *against* the optimal development of large numbers of children.

A cost/benefit analysis confirms that society would benefit from a publicly-funded, high quality universal child care system both through costs not incurred as a result of having diverted potential problems early and through a more productive workforce that would result in greater economic growth. A universal, high quality child care system could support parents' economic functioning and reduce some of the stress associated with balancing family and work responsibilities, provide a vehicle for the early identification of developmental problems, and provide an infrastructure for additional or specialized

services in specific situations while at the same time promoting the development of **all** children.

Notes

1. The term 'developmentally-appropriate activities' refers to activities that take into account the child's existing developmental level, knowledge and skills.
2. Cleveland and Krashinsky, 1998.
3. Currie, 2000.
4. Statistics Canada, 2000a, p. 1.
5. Cleveland and Krashinsky, 1998, p. 42.
6. Statistics Canada, 1999a.
7. Statistics Canada, 2000b.
8. Statistics Canada, 2000a, p. 1.
9. Human Resources Development Canada, 1994, p. 9.
10. Statistics Canada, 1999b, p. 1.
11. Human Resources Development Canada, 1994, p. 9.
12. Caughy, DiPietro and Strobino, 1994; Howes, 1990; Peisner-Feinberg and Burchinal, 1997.
13. Beach, Bertrand and Cleveland, 1998, Table 1.
14. Childcare Resource and Research Unit, 2000, Table 18.
15. Ibid., Table 17.
16. Goelman and Pence, 1988; Pence and Goelman, 1991; Pepper and Stuart, 1992.
17. Fosburg, 1981; Kontos et al., 1995.
18. Goelman et al., 2000.
19. Doherty et al., 2000b.
20. Doherty et al., 2000b; Goelman et al., 2000.
21. Doherty et al., 2000a, Table 10.6.
22. Statistics Canada, 1997.
23. Childcare Resource and Research Unit, 2000, Table 11.
24. Ibid., Table 3.

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25. Doherty et al., 2000a, p. 116.
 26. Doherty et al., 2000b; Goelman et al., 2000.
 27. Doherty, 2001.
 28. Ibid.
 29. Doherty et al., 2000b., see section 9.7 for a discussion of how current regulations act as disincentives to become regulated and the need for all jurisdictions to determine if their existing policies and practices have this effect and, if so, to modify them.
 30. Doherty et al., 2000a., p. 173.
 31. National Council of Welfare, 1999, p. 12.
 32. The provisions of both the Canada and the Québec Pension Plans are such that the years where earnings are nil or below career average while the mother (or single father) has a child under age seven are not counted when calculating the average earnings upon which pension benefits are based.
 33. Statistics Canada, 2000a, p. 1.
 34. Currie and Thomas, 1995; Hebbeler, 1985; Lee et al., 1990; Zigler, Styfco and Gilman, 1993.
 35. National Council of Welfare, 1999, p. 12.
 36. Goelman and Pence, 1988; Pence and Goelman, 1991; Pepper and Stuart, 1992.
 37. National Crime Prevention Council, 1996; Tremblay and Japel, 1997; Yoshikawa, 1995.
 38. Tremblay and Craig, 1994; Tremblay and Japel, 1997; Yoshikawa, 1995.
 39. Hertzman, 2000.
 40. Currie, 2000.
 41. Statistics Canada, 1996, p. 2.
 42. Lafleur, 1992, p. 1.
 43. Vancouver Board of Trade, 1999, p. 4.
 44. Cleveland and Hyatt, 1998, p. 4.
 45. Lero, 1997.
 46. KPMG National Consulting Services, 1999.
 47. Childcare Resource and Research Unit, 2000, Table 3.
 48. Cleveland and Hyatt, 1998, p. 11.

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49. Statistics Canada, 2000a, p. 1.
 50. Vancouver Board of Trade, 1999, p.6.
 51. Vanier Institute of the Family, 2000, Table 2a.
 52. Powell, 1997, p. 12.
 53. Cleveland and Hyatt, 1996, p. 40.
 54. Cleveland and Krashinsky, 1998, p. 43.
 55. MacBride-King, 1990, p. ix.
 56. Duxbury and Higgins, 1994, p. 31.
 57. Canadian Institute of Child Health, 2000, p. 183.
 58. Cleveland and Krashinsky, 1998, Table 15.
 59. Rose, 1997, p. 33.
 60. Willms, 1997.
 61. Barnett, 1998; Currie and Thomas, 1997; Lee and Loeb, 1995.