



# Commission on Early Learning and Child Care for the City of Toronto

## Final Report

May 2002

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Additional copies of the report are available from:

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The report is also available on line at [www.torontochildren.com](http://www.torontochildren.com)

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## Acknowledgements

This report is the product of the commitment and work of its co-chairs Charles Coffey and Margaret Norrie McCain.

Charles Coffey is Executive Vice President of Government & Community Affairs for the RBC Financial Group. Throughout his career, Coffey has made community leadership a priority working with entrepreneurs, aboriginal peoples, volunteers and young people, as well as investing time in projects and programs that will help advance the “children’s agenda”.

The Honourable Margaret Norrie McCain is the Former Lieutenant-Governor of New Brunswick (1994-1997). She is co-author of the *Early Years Study*, and involved in numerous initiatives focusing on the elimination of family violence and promoting social justice for all women and children in Canadian society.

Kerry McCuaig and Jane Bertrand provided staff support for the report. Both brought their extensive experience in child and family policy to the work.

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The Atkinson Charitable Foundation and the Laidlaw Foundation made funding available for the Commission’s work.

It is hoped that the City of Toronto, other municipalities and the children’s community will find the report a resource in their important work on behalf of children and families.

Photos: Courtesy of the United Way of Greater Toronto, in the name of the photographer.

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## An Early Learning and Care Commission for the City of Toronto

The September 2000 federal/provincial/territorial Early Childhood Development Initiative<sup>1</sup> (ECDI) was a welcomed federal investment in a critical policy area. Urban centres, however, were excluded from the process, despite their unique interest. Subsequent allocations, announced by Ontario on May 10, 2001, were made without consultation and without taking into consideration municipal expertise or responsibility for managing and planning children's services.

Frustrated by the lack of response to its entreaties to Queen's Park, the City of Toronto endorsed a community initiative to establish a Commission. The Commission's task was to develop a communications plan to:

- ① Help raise the profile of municipalities as centres of human and economic development;
- ② Increase funding for early learning and child care services in Toronto;
- ③ Influence national and provincial policy on early learning and child care;
- ④ Ensure Toronto receives its share of funding from the federal/provincial/territorial initiative on Early Childhood Development; and
- ⑤ Advise the City on the intergovernmental mechanisms and funding supports available to implement its *Action Plan for Children*.

In carrying out its work, the Commission had access to a City-commissioned options paper<sup>2</sup> that reviewed precedents for federal/municipal arrangements and the policy contexts that support or impede direct relationships. It considered the City's extensive children's services plans and related documents. It met with municipal, provincial and federal officials and elected representatives. In addition, it consulted with business, labour, academic and public policy leaders and members of the children's service delivery sector.<sup>3</sup> The report reflects the resources, research and expertise they shared.

The findings and recommendations of the Commission are forwarded to Toronto City Council through the Children's Advocate and the Children and Youth Action Committee.

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## Table of Contents

Introduction.....	5
I. The Case for a Quality Early Learning and Child Care System .....	6
Sharing the Caring	
Parents Matter	
Learning Gap Drags on Innovation and Growth	
Education Spending, Student Performance Slides	
"Time Crunch" Squeezes Families	
Penalties of Work-Family Stress	
Policy Goals Depend on Early Learning and Child Care	
II. Cities are Centres of Human and Capital Development .....	11
Toronto: a Canadian and a World Leader	
Quality Services, Diversity, Safety Behind Toronto's Success	
Senior Governments Download on Cities	
Municipal Amalgamation and New Municipal Responsibilities	
Toronto Showing the Strain	
III. The Municipal/Provincial/Federal Dynamic .....	14
Toronto a Leader in Children's Service	
Child Care a Must for a Modern City	
The Service Gap	
Subsidized Child Care	
Downloading and Restrictions	
New Opportunities for Effective Service Delivery	
"Child Care" or "Child Development"	
The Early Childhood Development Initiative	
Provincial Allocation of ECDI Funding	
IV. Moving Forward.....	22
The Federal Government	
The Provincial Government	
The City of Toronto	
Private and Public Institutions	
The Community	
References .....	28
Appendices .....	31
Government/Community Consultations	
Initiatives in Other Jurisdictions	
Child Care in Toronto: Can Intergovernmental Relations Respond to Children's Needs? An Option Paper	
Ontario's Early Years Plan	
A Fair Share of the Federal Investment in Early Childhood Development	
Announced Provincial/Territorial Funding Priorities for Early Childhood Development	
Key Informants	

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## Introduction

This report is part of the larger effort to raise the profile of Canadian cities as centres of human and economic development. It describes the challenges Toronto faces in a faster-paced global economy. It demonstrates that a high quality education system, beginning with excellent early learning and child care services, is ultimately linked to economic innovation; and that it is crucial in attracting and retaining a skilled workforce, as well as maintaining the ethnic and socio-economic harmony Toronto requires if it is to continue as a vibrant and livable city.

Among Toronto's assets is a complex, community-based network of programs supporting a sophisticated and innovative children's services infrastructure. Tossed around by ever-changing and seemingly unconnected provincial policy initiatives, and demoralized by increasing demands for services that cannot possibly be met, administrators and service providers are showing signs of fatigue. Ultimately children and families bear the burden.

The challenge of providing quality care and learning programs for 290,000 young children can no longer be met by antiquated revenue sources and outdated intergovernmental relationships. In bypassing local expertise in program design and delivery, senior governments often exclude Toronto families from the benefits of their initiatives. This has contributed to the City's decline.

All three levels of government hold solutions. These remedies must be employed alongside negotiations seeking new structural mechanisms granting Toronto the power and resources it requires. Jurisdictional debates can be a protracted affair, while the needs of children are immediate.

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## I. The Case for a Quality Early Learning and Child Care System

### Sharing the Caring

The family is centrally important and has primary responsibility for the upbringing of children. The family, however, is not the sole beneficiary when children are well prepared for life. This concept has shaped a new view of the socialization of children as a shared responsibility, involving many different players, but one in which government takes leadership to ensure all children benefit. Rather than taking away from the family, a collective commitment to children strengthens families, communities and nations.

Canadian federal, provincial and territorial leaders express this sentiment in the *National Children's Agenda*:

“Canadians want their country to be one where all children thrive in an atmosphere of love, care and understanding, valued as individuals in childhood and given opportunities to reach their full potential as adults.”<sup>4</sup>

A prerequisite to realizing the above goal is a comprehensive system of affordable, quality, early learning and child care programs. Such an initiative would bring Canada both immediate and long-term benefits. In the short term, productivity would rise as parents in the labour force are released from the day-to-day conflicts inherent in securing adequate non-parental care. In future, youngsters provided with a firm start would place fewer demands on the health, social welfare and criminal justice systems.

It is not only the absence of harm that makes this initiative urgent. Families are the basic unit of society. When parents are valued and supported, the quality of family life is enhanced. As participants in the labour market, parents who are able to focus on their work and take advantage of ongoing learning opportunities expand the knowledge-based economy. A system of community-based resources would improve neighbourhoods and contribute to social cohesion. Looking ahead, Canada would be enriched by generations of healthy, constructive citizens with a capacity for innovation, creativity, communication and contribution. These are the assets that will allow Canada to better participate in the new economy and to benefit from the resulting prosperity.

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There is every reason to predict the payoffs for action in the early years will be resounding. Studies in neurobiology and development show that the period between birth and age six is a sensitive one, where children acquire the essential language and cognitive skills required to learn reading and arithmetic and the ability to control emotions and stress and to cooperate with others. Children who enter elementary school with these skills are able to take advantage of the learning opportunities offered; those who do not, risk having difficulties and are likely to leave before graduation. Formal education determines one's ability to successfully participate in society.<sup>5</sup> Science also confirms that early development has a significant impact on mental and physical health risks later in life.<sup>6</sup> The lifetime liabilities that accrue from failing our children in their early years are enormous.

## **Parents Matter**

Recent findings<sup>7</sup> also emphasize that parents' involvement in their children's early learning influences development. How and how much parents respond to their children's needs, and how they are engaged with their children, strongly influence the developing neural pathways and related behaviour and learning patterns. Parents' involvement with children at home amplifies learning opportunities and emotional health. Quality early learning and child care programs are an effective way to help parents become active, informed participants in their children's early development.

## **Learning Gap Drags on Innovation and Growth**

A high percentage (39 per cent) of the Canadian workforce has post-secondary credentials,<sup>8</sup> an advantage that is neutralized by the one in five students who leave high school without a diploma. Many never access continuing learning opportunities,<sup>9</sup> leaving 40 per cent of Canadians 16 to 65 with low-level language and numeracy capabilities. This learning gap puts Canada with the bottom-ranked developed countries in terms of workforce literacy.<sup>10</sup>

Inadequate literacy skills are debilitating for the individual. For society, illiteracy drags on innovation and growth. Each school year of students who drop out represents an estimated \$4-billion lifetime loss.<sup>11</sup> Canada pays as its performance declines in comparison to its counterparts in the 30-member Organization for Economic Co-operation and Development (OECD).<sup>12</sup>

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## Education Spending, Student Performance Slides

Successful societies will be those with a strong knowledge base. Other OECD countries are preparing by increasing their participation rates in higher education; meanwhile the enrolment of Canadians aged 18 to 24 has stagnated. Ontario's showing has been particularly disappointing, again stumbling into last place in an annual countrywide review of government support for post-secondary education.<sup>13</sup> Canadian graduates for areas with skill shortages including health, science, math, engineering and technology are behind European countries.

Rather than ramping up, education investments have declined. In 2000 less than 6 per cent of Gross Domestic Product was devoted to education, down from 7.5 per cent a decade ago.<sup>14</sup> The spending slide coincides with a decline in student performance.

The OECD's 2001 study of reading, math and science results for 15-year-olds in 32 countries ranked Canada second in reading, sixth in mathematics and fifth in science; outperformed significantly by Finland, Korea and Japan in the latter categories.<sup>15</sup> Among the provinces, Ontario put in a middling performance.

More distressing are assessments of younger children. Testing of Ontario Grade 3 students showed 51 per cent scored below the provincially expected standard in reading, 48 per cent below the standard in writing and 43 per cent underperformed in mathematics.<sup>16</sup>

These evaluations not only demonstrate how the country stacks up internationally, but also serve as an early warning of the capacity of Canada's future citizens and workforce and indicate how well children's development has been supported prior to the assessment. Considering Canada spends about a dollar educating the very young for every 40 dollars spent educating older children,<sup>17</sup> some of the gap can be attributed to the lacklustre commitment to the early years.

The quality of the next generation of workers is not the sole consideration. Today's workforce participants need support. The Conference Board stresses that life-long individual learning is key to developing the innovation capacity of Canada. Without quality care for their children, parents' efforts to renew and expand their skills are restricted.

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## **“Time Crunch” Squeezes Families**

Faced with the poor school-performance numbers, critical fingers are often pointed at parents, a sign of the conflicted views Canadians hold about the care of children and the role of women. Surveys indicate a majority of both sexes approve of women contributing financially to the family, but are equally concerned that young children suffer when both parents work.<sup>18</sup> Regardless of opinion, most parents are employed. Almost half the workforce is made up of parents,<sup>19</sup> including more than six in 10 women who have children under 3.<sup>20</sup> Toronto’s children are even more likely than the national average to live in families where parents work outside the home.<sup>21</sup>

The permanence of mothers in the workforce has given rise to the new term “time crunch”. Surveys indicate the portion of parents reporting stress from work-life imbalance has markedly increased. Three out of four mothers and one in two fathers feel stretched to meet the demands placed on them. The pressure is greatest in families with pre-school children. Alarming, almost half of the mothers surveyed (48 per cent) reported experiencing high levels of stress and depression.<sup>22</sup> This is ominous news for the next generation, since maternal depression predicates worst outcomes for children, regardless of family income.<sup>23</sup>

## **Penalties of Work-Family Stress**

Here again the penalties are not all reserved for the future. Parents with pre-school children are three times as likely to miss work as other employees.<sup>24</sup> Pressured adults internalize the tension by taking less time for their own needs, short-changing their sleep or engaging in more negative coping mechanisms such as drugs and alcohol use.<sup>25</sup> According to Conference Board surveys, stressed workers are significantly less committed to their employers and their jobs. They report higher levels of absenteeism, they use company benefits more, turn down promotions and transfers and are more likely to change jobs.<sup>26</sup> The cost of paralysis on this file is accumulating. Studies conservatively estimate work-family conflict is a \$2.7-billion annual drain on the economy.<sup>27</sup>

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## Policy Goals Depend on Early Learning and Child Care

Current findings confirm decades of studies identifying quality early learning and child care programs as an essential support in achieving a wide range of public policy goals. Reports include:

- The groundbreaking *Early Years Study*<sup>28</sup> that popularized the sensitive stages of early brain development;
- Ontario's Education Improvement Commission and its forerunner, the Royal Commission on Learning,<sup>29</sup> which argued for an all-inclusive framework to improve educational outcomes by supporting the learning and development that precedes formal schooling; and
- Numerous government and non-government reports that have discussed early learning and child care from the perspective of health promotion, economic innovation, life-long learning, women's equity, crime and poverty prevention.

There is not a deficit of research. There is a lack of action.

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## II. Cities are Centres of Human and Capital Development

### **Toronto: a Canadian and a World Leader**

Aided by geography and public policy, Toronto has developed into an ambitious, successful city. Home to 2.48 million people, one in six Canadian jobs are in Toronto and it accounts for close to 20 per cent of the country's GDP. The city boasts a modern transportation and communications infrastructure. It is Canada's gateway to the continental market and its financial centre, containing 80 per cent of the country's largest research and development, law, advertising and high-tech firms and 70 per cent of information technology companies. There is a reason Canada's well-being is linked to Toronto's prosperity.<sup>30</sup>

Toronto is also heralded as one of the most multicultural and safe cities in the world. Foreign-born residents, representing over 100 different nationalities, comprise almost half the population. Toronto's designation as a preferred place for immigrants is a major asset. Canada relies heavily on immigration to sustain its population and fill skill shortages. Immigration is particularly important to Ontario where 53 per cent of new entrants make their home.<sup>31</sup>

### **Quality Services, Diversity, Safety behind Toronto's Success**

Toronto's success can be found in the social development strategy that has guided the region's development under both the new City and the Metropolitan government that preceded it. Using resources available through a strong property tax base, and reliable transfers from senior governments, Toronto wielded budgets larger than many provinces.<sup>32</sup>

The Toronto Board of Trade points to quality services, social harmony and safety as the city's competitive advantages:

"By maintaining high quality housing, day care, schools, social services and policing, our downtown core has remained vital, strong and safe. Toronto is a city where people of different ethnic and economic backgrounds live side-by-side in neighbourhoods and communities. As long as Toronto's urban core remains vibrant, its streets safe and its citizens secure, the entire area will enjoy a competitive advantage internationally."<sup>33</sup>

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## Senior Governments Download on Cities

A series of policy changes over the past decade are rewriting Toronto's story. In 1995 the federal government severely restricted transfers to the provinces for health and social services. In addition, Ottawa abandoned its longstanding involvement in housing and immigration settlement services. Eligibility restrictions for Employment Insurance ultimately landed the provinces with additional welfare costs. Because Ontario cities have the unique responsibility of cost-sharing social services, the additional costs were automatically passed down.

## Municipal Amalgamation and New Municipal Responsibilities

As the City grappled with the fallout of federal downloading, the provincial government undertook major political and financial restructuring. New funding commitments accompanied amalgamation, including full responsibility for social housing, transit and roads. Social assistance and children's services mandates were also expanded. These changes have added an additional \$250-million in annual costs that cannot be offset by amalgamation efficiencies.<sup>34</sup>

The City has no new revenue source to meet the additional demands. In fact, thanks to new provincial restrictions on city tax policies, Toronto has effectively lost access to 63 per cent of its tax base. These restrictions prevent municipalities from setting tax rates on commercial property that are higher than the provincial average. Because Toronto commercial rates are greater than other regions, city homeowners would have to triple their payments to make up the difference.<sup>35</sup> The other alternatives are to cut services, or implement or raise user fees. The City has employed all three options -- often to the detriment of children's services -- but a shortfall remains.

## Toronto Showing the Strain

Once cited among the top places in the world to live, by the latter part of the 1990s the city's malaise had become measurable. The Toronto Board of Trade in its 2001 brief to Ontario's pre-budget hearings<sup>36</sup> lists the indicators:

- Cited by *Fortune* as the top city in which to do business in 1996, Toronto did not make it into the top 10 in 2000.
- *Place Rated Almanac* ranked Toronto fourth in 1996, seventh in 2000.

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- No Canadian city makes it as a Tier 1 city. This designation measures commerce, culture, knowledge creation, physical beauty and lifestyle. Toronto is at Tier 2 along with Mexico City, San Paulo and Seoul.
  - Despite a historically low dollar, visits by U.S. travellers to the City dropped 14 per cent between 1996 and 2000.

The City's ratings tumble coincides with some worrying social trends. Despite the economic recovery in the last half of the 1990s, poverty rates in Toronto actually got worse. The number of Torontonians who were considered poor increased to 23.3 per cent of the population in 1999.<sup>37</sup> The national figure was stable at 19.1 per cent.

A report prepared by the United Way shows poverty sinking its roots deep into the City with growing numbers of people living on the streets, rising evictions and use of emergency shelters, and the hopelessly long waiting lists for city services.

Young children are the most likely victims. The poverty rate for Toronto's children and youth climbed to 32.3 per cent in 1999, well above the national level of 25.4 per cent.<sup>38</sup> Across Canada, families with young children experienced a 30 per cent drop in their median wealth between 1984 and 1999.<sup>39</sup> The financial stress associated with childrearing helps explain the declining birth rate. In a very concrete way, young couples are saying they are no longer prepared to go it alone.

Poverty is also threatening Toronto's proud diversity, as new immigrants experience increased barriers to participation. Supports provided by settlement agencies are limited. Professionals remain stuck in menial jobs and families are doubling up on housing. There is a perception that violent crime is on the rise and youth, particularly minority youth, are becoming increasingly alienated.

If there is no reinvestment, and if Toronto is not given the tools it requires to reverse the trend, the resulting erosion in the quality of life will affect everyone. The Toronto Board of Trade warns: "Business will not invest in Toronto if governments are not prepared to do the same."<sup>40</sup> In the age of the Internet, virtual workplaces and highly mobile capital and labour, failure to heed this message has set in motion a vicious cycle of decline.

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### III. The Municipal/Provincial/Federal Dynamic

#### Toronto a Leader in Children's Service

The City has undertaken a number of initiatives to support services for children:

- A *Report Card on Children* provides an annual assessment of the status of Toronto's children and their neighbourhoods along with service targets, policy objectives and expected outcomes;
- A model *Child Care Service Plan* outlines the provision of subsidized care to low income families;
- A *Children's Charter* commits the City to consider the needs of children in all its policy decisions and allocations;
- The *Strategy for Children* requires integrated, rather than segmented, service delivery and outlines the City's commitments to, and expectations from, public investment in children's services; and
- A designated Children's Advocate position on City Council, advised by a representative Children and Youth Action Committee, to ensure ongoing community participation.

As a children's services manager, the City provides the infrastructure for the largest concentration of children's programs in Canada (outside Quebec), funding over 900 different service providers, including 58 municipally operated programs. It is among the few local jurisdictions to enforce its own operating criteria to ensure program quality, respect for diversity and parental involvement.

#### Child Care a Must for a Modern City

Philosophically the City views its involvement in child care and parent support programs as a must for a complex urban environment. Reports passed by consecutive Councils<sup>41</sup> argue the importance of public investments in *good* child care and delineate the multifaceted contribution a quality service makes to the City.

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In addition to the substantial developmental and preventative benefits for children, child care is a factor in achieving other policy goals.

- Improved school performance: Studies indicate that City elementary schools with child care centres have lower rates of absenteeism and better student test results.<sup>42</sup>
- Reduced social assistance costs: At one-half the cost of social assistance for a single parent/one child family, a child care subsidy is both a beneficial and cost-effective alternative to social assistance.
- Expanded economic activity: The subsidy system alone accounts for approximately \$275.3-million.<sup>43</sup> Parents who pay full rates spend an additional \$40- to \$50-million. The sector employs an estimated 5,000 staff in centres plus up to 1,200 home child care providers; another 1,000 staff are employed part time. Due to the labour intensive nature of child care, most of the expenditures are on wages that are returned to the local economy.
- Support for diversity: Children attending quality programs are better integrated into the mainstream of society while gaining and retaining respect for their own and their playmates' cultural heritage.

## The Service Gap

Every parent needs help caring for children, at least occasionally. For 71 per cent of Toronto's families who are in the paid workforce, dependable child care is a must on a regular basis. Most parents juggle their work schedules, provide care or make do with less than satisfactory arrangements. The *Child Care Service Plan*<sup>44</sup> describes the gap. Licensed care meets the needs of 20 per cent of families; and 15 per cent are served by parenting centres. Child care subsidies are available to 22 per cent of children in families below the Low Income Cut-Off established by Statistics Canada. Francophone and Aboriginal communities are particularly underserved. Francophone children comprise eight per cent of the child population, yet only nine centres provide service in French. The situation is bleaker for the Aboriginal community. Five per cent of the child population is Aboriginal, yet only two child care centres service the community. Finding culturally and linguistically appropriate supports for children with special needs is also a challenge.

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## **Subsidized Child Care**

Of the 45,000 children enrolled in licensed child care programs, half are subsidized. Over three-quarters of subsidies are used by single-parent families of whom one-third are Ontario Works recipients. The most frequent user of subsidized care is a single parent with one child, with an average net annual income of \$20,023. The average child care cost of \$7,188 is well beyond the reach of this parent, and even the \$1,400 annual user fee (\$5.36/day) represents a significant strain on limited financial resources.<sup>45</sup>

Recent provincial policy restrictions aimed at post-secondary students, the treatment of RRSPs, and reducing the hours of care have excluded many formerly eligible applicants. As a result, the service has become increasingly targeted to at-risk families. Many require additional supports that already strained programs find difficult to provide.

## **Downloading and Restrictions**

The system itself is under severe pressure arising from high levels of unmet needs and constrained funding. In 1999 the Province expanded the City's mandate to cost share not only child care subsidies but wage subsidies and family resource programs. Toronto also assumes costs for recreation, unlicensed after-school programs, summer camps, libraries and public health. In 1998, a major review conducted by KPMG on behalf of the Ministry of Community and Social Services confirmed the City's position that significant child care expansion is required to meet the welfare-to-work targets imposed by Ontario Works. In addition, the City by default assumed child care capital costs when the province abandoned the program and has since picked up playground refurbishing and rental costs for programs in schools. A municipal review estimated the cost of addressing the most pressing children's services issues at \$43-million.<sup>46</sup>

## **New Opportunities for Effective Service Delivery**

While downloading has brought additional demands, the City regards its new responsibilities as an opportunity to consolidate a patchwork of children's services into one coherent delivery system. City departments have undertaken an assessment of needs, opportunities and barriers to ensure that all investments in programs for children and families are planned and connected in a holistic, rather than sector-by-sector manner. In addition, various models of integration are being

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explored through the *First Duty* projects. This partnership between the City and the Toronto District School Board, with support from the Atkinson Charitable Foundation and the Canadian Autoworkers, combines parenting programs, kindergarten and child care into a seamless service linked to health and other community resources. The projects have a significant evaluation component that will document the process and assess the impact on children, family and community outcomes.

Toronto's planning process is designed to meet the needs of families by building on community partnerships and negotiating the fullest and most prudent use of resources. Good planning and efficiencies alone will not ensure that every child has access to a good quality early program. Significant changes in provincial policy are required.

### **“Child Care” or “Child Development”**

The tension between the City and the Province can be found in their opposing philosophical approaches. Toronto views child care as the cornerstone for a system of early childhood development supports that should be available to all families with young children.

Provincial policy makes a clear distinction between “child care” and “child development”. Care is seen as a parental responsibility with government intervening only to support the labour market participation of low-income families. Targeted payments — such as those available to offset the costs of non-parental care for Ontario Works recipients or the Ontario Child Care Supplement for Working Families -- are the products of this viewpoint. The availability of care, or its quality, tends to be marginalized, particularly when the objective is the employment of single parents.

Ironically, other provincial initiatives target children for enrichment programs to help compensate for the inadequate care they receive. Informants listed a plethora of programs supported with provincial dollars aimed at educating the public about the importance of a child's early years, parenting resources and focused “learning ready” courses for pre-schoolers. The services are not often accessible to the children of parents who are in the labour force, nor do they meet the needs of parents who would like to study or upgrade their skills. As stand-alone entities, unconnected to each other or to a comprehensive service, their effectiveness is difficult to assess.

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Many interventions are unable to sustain their benefits beyond a short time period -- largely because they are isolated and do not offer opportunities for regular, consistent participation over time.<sup>47</sup> One-off programs may be popular with funders because they are less expensive than a comprehensive response to child development. The methodology is analogous to encouraging older children to take part in two week reading circles, or a weekly math hour in the absence of a school system.

The lessons of the new brain research and child development literature are instructive here:

- Children learn from birth, and the everyday aspects of life are their classrooms.
- Good environments support children's development. Non-stimulating environments, neglect or abuse, deprive children of the opportunity to reach their full potential.
- Non-targeted programs are most effective at reaching children who are at risk, and promote the development of all children.
- All parents benefit from a range of supports to help ensure their children receive the best possible start in life.

A division between "care" and "development" is therefore meaningless and misplaced.

Economic analysis also demonstrates that it is counterproductive to separate the requirements of the child from those of the parents. The advantages of a child development program are best realized with a high quality service that meets the developmental needs of children, while simultaneously helping parents to work or study and become participants in their children's early learning.<sup>48</sup>

### **The Early Childhood Development Initiative**

A product of the National Children's Agenda, the Early Childhood Development Initiative (ECDI) takes a comprehensive, community-based approach to early childhood development providing \$2.2-billion over five years for services to children aged 0 to 6 years in four target areas: (1) promoting healthy pregnancy; birth and infancy; (2) improving parenting and family supports; (3) strengthening early childhood development, learning and care; and (4) strengthening community supports.

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Although the Social Union Framework Agreement<sup>49</sup> (SUFA) provides the option of proceeding with intergovernmental agreements when the majority of provinces are signatories, the federal government insisted on total agreement for the ECDI (save Quebec). As a result the Accord is significantly weaker than originally anticipated and fails to meet the key elements prescribed in the SUFA: federal spending power; involvement of Canadians; indicators and accountability and dispute resolution.

Informants felt the poor safeguards have allowed the provinces to flout the spirit, if not the letter, of the agreement. For example, without a disputes mechanism to challenge questionable spending, Ontario earmarked \$20.7-million of its share for the prevention of neural tube defects, infant hearing and autism. While worthy, these programs are more properly covered under health, not child development. Alberta's failure to meet the 0 to 6 years focus with its project targeted to child prostitutes also goes unchallenged.

Child care became a casualty of the accord when Ottawa stepped back from its original position to require spending in all four target areas. Only six of Canada's 13 jurisdictions put any federal money toward child care, accounting for less than 10 per cent of the first \$300-million portion.<sup>50</sup> The multiple-choice nature of the agreement allows the funding to dissipate rather than encouraging an all-inclusive approach to early childhood development that would produce measurable outcomes.

The three largest provinces have not only excluded child care, but also reduced spending for regulated care and other children's services, in violation of the agreement's intent to expand service provision. British Columbia, Alberta and Ontario together receive almost two-thirds of the ECDI funding and are home to the same portion of Canada's children. Compromising healthy outcomes for so many children is a matter of concern to all Canadians.

The accord was also criticized for its lack of accountability. A federal advisory committee on ECDI public reporting has been established but has not yet demonstrated its influence. Ad hoc distribution of funding has often ignored, and even undermined, well-developed local plans for children's services. Rather than experiencing the promise of the agreement for improved and more accessible supports, service providers and families are confronted with more fragmentation than ever before.

Some informants questioned if ECDI is a suitable vehicle to advance a national strategy for early learning and child care. The ECDI is nestled under the Canada

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Health and Social Transfer, an instrument that makes it virtually impossible to assess the impact of unmatched federal dollars and provides no incentive to ever-changing provincial governments to retain and grow early learning and care services.

Quality child care is central to the success of a comprehensive approach to early child development. This has led some informants to suggest a complementary mechanism to ensure its development. The Supporting Communities Partnership Initiative (SCPI) allows the federal government to enter into direct relationships with municipalities to address homelessness. A similar partnership for early learning and child care would let those provinces investing in child care expand further and permit municipalities to fill the vacuum when provincial governments don't. The social policy caucus of the federal Liberals has forwarded this recommendation to the Budget process.

It will require this type of intervention for ECDI to demonstrate results. Without assessable outcomes, there will be little enthusiasm for renewing the agreement when it expires in 2005. Maintaining support for the accord is essential if it is to meet its own goals. A Federal study<sup>51</sup> estimates the cost of fully developing all four areas of the accord at \$12-billion. While this figure includes expenditures already being made and would be partially offset by parent contributions and increased tax revenues as more parents enter the workforce, decidedly more public investment would be required than the annual \$500-million this phase of EDCI will offer at maturity.

### **Provincial Allocation of ECDI Funding**

The provincial distribution of the \$114-million, year-one allocation of the ECDI agreement reflects its policy perspective. The plan prioritized funding for what the community calls "ABC" -- "anything but child care". It puts an inordinate share (over half) into information resources, data collection and evaluation as opposed to actual service. Other announcements are enhancements of current programs, with the major exception of \$30-million for Early Years Centres, described in official communications as following the model outlined in the provincially commissioned McCain/Mustard *Early Years Study*.

The *Early Years Study* recommended community-based child development and parenting centres built on existing community capacity providing development opportunities for children and a full range of parenting supports, including flexible child care. As described, the province's Early Years Centres more closely resemble information kiosks. The distribution of one centre per provincial riding appears to

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ignore the expertise that went into local planning processes. Rather than building on community capacity, there are examples of the centres replacing existing family resource programs.

The politicization of the early years' initiatives is disturbing. Many informants found the Order-in-Council appointments of steering committees and community co-ordinators excessively bureaucratic. The process of calling on the community to make recommendations only to have them ignored is demoralizing for activists and wastes local resources.

It is equally disheartening for parents and staff to labour under the constant threat of funding annihilation. Leaked government documents detail plans to wipe out licensed child care funding<sup>52</sup>. The Toronto District School Board is in a futile exercise to reconcile a \$150-million shortfall by eliminating parenting programs and teaching assistants in kindergarten classes. Child care, parenting programs and kindergarten form the base for the integrated service system envisioned by the *Early Years Study*.

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## IV. Moving Forward

This report is a call to action rather than a detailed blueprint for moving from today's stalemate to supporting Toronto's *Action Plan for Children*. The well-being of children is so critical it warrants the commitment of government, institutions, service providers and individuals. This does not mean everyone plays the same role. This report therefore tailors its recommendations accordingly.

It is important to stress that early childhood development is a pragmatic issue, not an ideological one. Advocates come from the political right, left and in between. Governments representative of the political spectrum have taken the steps necessary to ensure an early learning program for every child. A solution in Canada is not contingent on a new government, a new leader or a new mechanism. All levels of government agree on the importance of the earliest years in establishing a strong foundation for later success. We have agreement. We have plenty of models to choose from. Now is the time for bold action.

No early years' strategy can be successful without child care. It is essential for the provincial government to recognize and fund quality child care services as the core of an integrated plan for child development and parenting supports, and further that the federal government promote and fund child care as a central component of its early years' initiatives.

### The Federal Government

The healthy development of children is both a unique priority of the federal government and an important complement to its innovation and life-long learning agendas. Ottawa has demonstrated its willingness to lead in support of children both in areas where it has sole discretion (expanded parental leave, enhanced programs for Aboriginal children, the National Child Benefit) and in areas of shared responsibility (pre-natal nutrition, the ECDI accord).

As sole funder of these initiatives, the federal government assumes a particular responsibility to ensure accountability for public investments. Canadians want children to have the best possible start. They also want to be assured that their financial contributions are making a difference. Progress to date suggests Ottawa will be hard pressed to demonstrate to most Canadians that its commitment through the ECDI is effective. Without measurable outcomes, public appetite for further expenditures will be lost. It is therefore important for the federal

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government to undertake interim measures to protect its initial investment and maintain support for the initiative.

We recommend the federal government:

- Utilize the provisions of the Social Union Framework Agreement (SUFA) to establish a child care partnership, modelled on the recent housing initiative (Supporting Communities Partnership Initiative). This would provide additional support to those provinces that have integrated child care into their early years' plans and permit direct funding agreements with municipalities in provinces where a comprehensive approach has not been implemented.
- Publicly commit to a renewed Early Childhood Development Initiative structured to produce measurable outcomes and containing the accountability provisions of SUFA. These include citizen participation in the development and assessment of the agreement, third-party auditing and a disputes mechanism. A SUFA-compliant agreement would allow the federal government to engage in direct relationships with municipalities should a province not want to participate in phase two of an ECDI accord.
- Provide public notice that the next phase of the Early Childhood Development Initiative will require participating provinces and territories to spend in all four target areas: (1) promoting healthy pregnancy, birth and infancy; (2) improving parenting and family supports; (3) strengthening early childhood development, learning and care; and (4) strengthening community supports.
- Engage municipalities, local authorities and communities to monitor progress on the accord. A consultation process would assess the effectiveness of the ECDI, provide valuable information regarding integrated service development and build public support for early years services.
- Provide Parliament with regular timely analysis of the agreement's progress; make these reports a topic for federal/provincial/territorial meetings and use the current review of the SUFA to foster support for transparency and accountability for public programs.
- In preparation for a renewed ECDI, lay the groundwork for the creation of new structures to facilitate meaningful dialogue between cities and senior governments on children's issues.
- Participate in the second round of the OECD examination of early learning and care. Collaborate with municipalities where individual provinces decline to participate.

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## The Provincial Government

Queen's Park has consistently voiced its support for the recommendations of the McCain/Mustard Early Years Study. Child care was always central to the study's key recommendation to establish community-based child development and parenting centres. These centres would draw together child care, parenting, kindergarten, health, recreation, libraries, prevention and intervention programs into an integrated service. They would provide a learning environment for young children, plus flexible child care, drop-in programs, information and opportunities for parents to participate in and support their children's early development. As envisioned, these centres would address the areas identified in the early childhood development accord. Their comprehensive design would permit assessments of their benefits for children, families and communities.

We recommend that the provincial government:

- Establish a legislative and funding framework to support the development of a network of early childhood development centres as recommended in the McCain/Mustard Early Years Study.
- This framework would provide municipalities and school boards with the authority and resources to integrate existing services into a comprehensive, community-responsive early years' system.
- Direct federal allocations under the Early Childhood Development accord to municipalities for system expansion.
- Maintain the availability of services during the transition period: (1) by maintaining current funding for licensed child care and (2) by resolving outstanding funding issues with the Toronto District School Board.
- Exercise responsibility for establishing program goals, targets and outcomes. Allow municipalities to design and execute programs as the mandated managers of children's services.
- In compliance with the Social Union Framework Agreement -- which Ontario signed -- provide accountability for the funding received through the ECDI.

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## The City of Toronto

Current City initiatives complement its desire to access federal funding to support children. Many opportunities are provided by Toronto's collaboration with other urban centres seeking a modern relationship with senior governments, by its alliance with business to encourage public investment in major capital projects, and by the First Duty coalition involving the Toronto District School Board and community partners.

Toronto's First Duty test-drives the development of an early learning and child care system. The project integrates the existing core child development programs - - kindergarten, child care and parenting supports -- into one seamless, accessible, community-based service. Health, specialized supports and related community and social services are delivered onsite or linked to First Duty projects. The sites are supported with expertise to assist in the development of integrated child environments, staffing models and governance policies. An extensive evaluation is assessing the project's effect on child outcomes; community use and satisfaction; effective utilization of funding, space and community expertise and improved systems management. First Duty provides a valuable demonstration of public policy designed to meet the needs of young children and their families.

We recommend the City of Toronto:

- Commit to expanding the First Duty model beyond its initial phase and use its leadership to promote the initiative with Canadians and senior governments.
- Expand the mandate of the alliances developed with urban counterparts and the business sector beyond capital infrastructure to link capital and social development, including children's initiatives.
- Create an infrastructure to monitor early child development and family outcomes and resource allocation at the community level. Community partnerships would combine the expertise of the City's existing community reporting capabilities with the academic expertise and independence afforded by university centres. A community committee now oversees the City's report card process and would ensure community ownership of expanded reporting. The Atkinson Centre at OISE/University of Toronto and the Centre for Children and Youth at Risk at McMaster will be able to assist Toronto in the analysis and to consider the data in relation to other communities in Canada.
- Work with Toronto's First Nations communities to access federal funding for Aboriginal Head Start (expanded in the last federal budget).

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## Private and Public Institutions

This report devotes considerable attention to business-sponsored research demonstrating the cost-benefits of investments in early childhood development. The facts argue that workforce capacity is determining the winners and losers in the new economy.

While Canada debates its approach to early child development, other countries already surpass us. Most policy makers and influencers acknowledge the problem, but sector protectionism conspires to block a consensus on how to pull together today's piecemeal and underfunded programs into a coherent and comprehensive system of early learning and care.

Business has its considerations, and powerful public institutions such as health and education are reluctant to release their grip on the public purse. The stakes demand compromise. Failure to come to terms with this issue not only affects the bottom line, but also moves Canada to the end of the line.

- Business needs to appreciate its interest in this issue. Business is a powerful sector with the capacity to influence government policy and public opinion. In addition, it can ensure family-friendly workplaces as an essential complement to public services. Workplace programs or community partnerships should not be seen as replacements for public initiatives.
- The sustainability of valued public programs such as education and health are dependant on healthy child development. Substantial research demonstrates that children who are well supported in their early years are less likely to draw on expensive health treatment and educational remedial services. It is therefore in the self-interest of these sectors to (1) provide leadership promoting a comprehensive approach to early childhood development, and (2) to co-operate in breaking down the barriers that stand in the way of a comprehensive systems approach.

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## The Community

Community battle fatigue was evident in the consultations; but if parents, staff and their representatives fail to advocate for children, who will?

- Service providers must commit to program quality. Poor programs compromise children's future and alienate parents and the public. If insufficient resources make this impossible, operators and staff have an obligation to take decisive action to inform the public.
- Service providers have a duty to make parents aware of policy initiatives that affect their children and involve them as active participants in seeking solutions.
- Increased funding must be accompanied by reorganization. A weakness in the children's sector is the fragmentation imposed by provincial policy frameworks. Service providers, users and unions have a right to be consulted about service reorganization; they also have a responsibility to work with the City as the systems manager to break down barriers to integration.
- Private funders can ensure their allocations support a comprehensive approach to service delivery, rather than fostering fragmentation.

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## References

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- <sup>1</sup> Under the agreement, the federal government will transfer \$2.2-billion over five years through the Canada Health and Social Transfer to the provinces and territories for services for children 0 to 6 years. Annual allocations begin at \$300-million and grow to \$500-million in the final year of the accord. Quebec did not sign the ECDI accord.
- <sup>2</sup> Jenson, J., Mahon, R. *Child Care in Toronto: Can Intergovernmental Relations Respond to Children's Needs? An Options Paper*. Canadian Policy Research Networks, Inc. Ottawa, 2001.
- <sup>3</sup> See Key Informants in Appendix section.
- <sup>4</sup> Federal-Provincial-Territorial Council of Ministers on Social Policy Renewal. *A National Children's Agenda*. May 1999.
- <sup>5</sup> Health Canada. *Early Childhood Development: Strategy Paper (draft)*. January 2000.
- <sup>6</sup> Mustard, F. "Early Child Development and the Brain – the Base for Health, Learning and Behaviour Through Life", in Mary Erning Young (Ed) *Early Child Development to Human Development*. The World Bank. 2002. Pp. 23 –62.
- <sup>7</sup> Willms, J.D., Editor (in press) *Vulnerable Children*. University of Alberta Press Edmonton (In Press).
- <sup>8</sup> Conference Board of Canada, *Investing in Innovation, 3<sup>rd</sup> Annual Innovation Report*. Ottawa, 2001.
- <sup>9</sup> Statistics Canada. *Education indicators in Canada*. Catalogue 81-582-XPE. Author. Ottawa 2000. Only 15 per cent of early school leavers took job-related training compared to 31 per cent of college students and 43 per cent of university graduates.
- <sup>10</sup> OECD, Statistics Canada. *International Adult Literacy Survey, Literacy in the Information Age. Final Report from the International Adult Literacy Survey*. Author. Ottawa, 2000.
- <sup>11</sup> Conference Board of Canada study cited in *Investing in Our Children is Good Public Policy*. The Vancouver Board of Trade Task Force on Early Child Development and Child Care. Vancouver, 1999.
- <sup>12</sup> Conference Board of Canada, *Investing in Innovation, 3<sup>rd</sup> Annual Innovation Report*. Ottawa, 2001.
- <sup>13</sup> Doherty-Delorme, D., Shake, E. *Missing Pieces III: An Alternative Guide to Canadian Post-Secondary Education*. Canadian Centre for Policy Alternatives. Ottawa, 2002. The study found Ontario demonstrated the lowest commitment to quality in post-secondary education due to the highest student faculty ratio in the country, the greatest reduction in provincial expenditures and the lowest provincial operating grants per capita.
- <sup>14</sup> Conference Board of Canada. *Investing in Innovation*.
- <sup>15</sup> Human Resources Development Canada, Statistics Canada, Council of Ministers of Education, *Canada Measuring up: The performance of Canada's youth in reading, mathematics and science*. Ottawa, 2001. In provincial comparisons on the test, Ontario showed average results in all categories. Significantly New Brunswick, the only province without kindergarten until the mid-nineties and whose child care programs ranked bottom in a

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national study on quality, dragged far behind in all areas. Doherty, G , et al. *You Bet I Care Report 2: Caring and Learning Environments: Quality in Child Care Centres Across Canada*. Toronto, 2001.

<sup>16</sup> Results from the Education Quality and Accountability Office, cited by the Education Improvement Commission. *The Road Ahead: A Report on Improving Student Achievement*, Author. December 2000.

<sup>17</sup> Krashinsky, M. "Are We There Yet? The Evolving Face of Child Care Policy in Canada." *Transition Magazine*, Winter 2000, Vol. 31 No. 4.

<sup>18</sup> Ghalan, N. "Attitudes toward women, work and family". *Canadian Social Trends*. Ottawa, 1997.

<sup>19</sup> The Vanier Institute of the Family. *Profiling Canada's Families II*, Author. Ottawa, 2000.

<sup>20</sup> Statistics Canada. *Women in Canada*, Statistics Canada, Catalogue 89-503-xpe. Ottawa, 2000.

<sup>21</sup> City of Toronto. *Child Care Service Plan*. Author. 2001. 71 per cent of the City's families are fully participating in the labour force.

<sup>22</sup> Duxbury, L., Higgins, C. *Work-life balance in the New Millennium: Where Are We? Where Do We Need to Go?* CPRN Discussion Paper No. W/12. Ottawa, 2001.

<sup>23</sup> Field, T. Maternal depression effects on infants and early interventions. *Prev Med* 1998; 27(2):200-3.

<sup>24</sup> Akyeampong, E. "Work Absences: New data, new insights. *Perspectives on Labour and Income*. Spring 1998.

<sup>25</sup> Duxbury, L., Higgins, C. *Work-life balance*. Ottawa, 2001.

<sup>26</sup> MacBride-King, J., Bachmann, K. *Is Work-Life Balance Still an Issue for Canadians and their Employers? You Bet It Is!* The Conference Board of Canada. Ottawa, 1999.

<sup>27</sup> Duxbury, L., Higgins, C., Johnson, K. *An examination of the implications and costs of work-life conflict in Canada*. Health Canada. Ottawa, 1999.

<sup>28</sup> McCain, M., Mustard, F. *The Early Years Study: Reversing the Real Brain Drain*, Toronto. April 1999.

<sup>29</sup> Royal Commission on Learning. *For the Love of Learning*. Government of Ontario. Toronto, 1994.

<sup>30</sup> The Toronto Board of Trade. *Profile of Toronto and the Greater Toronto Area, 1998/99: Toronto business and market guide*.

<sup>31</sup> Denton, F., et al. "Immigration and population ageing", *Canadian Business Economics*, 7,1. 1999. In the first half of the nineties immigration accounted for 71 per cent of labour market growth and 15.5 per cent of population growth, compared to 4 per cent expansion in the Canadian-born population.

<sup>32</sup> The City's budget for 2002 is \$7.2 billion.

<sup>33</sup> Toronto Board of Trade. *Profile of Toronto*.

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- <sup>34</sup> City of Toronto. *A Social Development Strategy for the City of Toronto*. Author, November 2001.
- <sup>35</sup> Mackenzie, H., Toronto's revenue crisis. A made in Queen's Park problem that is only going to get worse. *Ontario Alternative Budget*. Canadian Centre for Policy Alternatives, February 2002.
- <sup>36</sup> The Toronto Board of Trade. *Investing in Cities: An Urban Competitiveness Agenda for Ontario; 2001 Pre-Budget Submission to the Province of Ontario*. Toronto, 2001.
- <sup>37</sup> Up from 22.6 per cent in 1995. United Way of Greater Toronto and the Canadian Council on Social Development. *A Decade of Decline. Poverty and Income Inequality in the City of Toronto in the 1990s*. Author, 2002.
- <sup>38</sup> United Way. *A Decade of Decline. Poverty and Income Inequality in the City of Toronto in the 1990s*.
- <sup>39</sup> Statistics Canada. Wealth Inequality: 1984 to 1999, *The Daily*. February 22, 2002
- <sup>40</sup> The Toronto Board of Trade. *Securing and Growing our Cities. 2002 Pre-Budget Submission to the Federal Government*. Nov. 2001.
- <sup>41</sup> City of Toronto. *Child Care Service Plan*. Author. 2001. Also *The Business Case for Child Care*. 1995.
- <sup>42</sup> Toronto Children and Youth Action Committee. *1999 Toronto Report Card on Children*. Author, 2000.
- <sup>43</sup> 2001 operating budget cost shared between the City, the Province and the user fees levied on families receiving child care subsidies. An additional estimated \$350- to \$400-million is spent in the underground economy of informal care.
- <sup>44</sup> City of Toronto. *Child Care Service Plan*.
- <sup>45</sup> City of Toronto, *Child Care Service Plan*.
- <sup>46</sup> City of Toronto. *A Comprehensive Summary of Child Care Issues, and a Proposed Plan and Timetable for Action*. Author, November 1999. The City's share would be \$7.5-million.
- <sup>47</sup> Doherty, G. *Targeting Early Childhood Care and Education: Myths and Realities*. Child Care Research and Resource Unit, Centre for Urban Studies, University of Toronto. Toronto, 2001. Shonkoff, J. & Phillips, D. *Neurons to Neighborhoods: The Science of Early Child Development*. National Academy Press. Washington, D.C. 2001.
- <sup>48</sup> Cleveland, G., Kranshinsky, M. *The Benefits and Costs of Good Child Care*. Childcare Resource and Research Unit. University of Toronto. Toronto, 1998.
- <sup>49</sup> The Social Union Framework Agreement ratified in 1999 by the federal government with all provinces and territories (save Quebec) is an enabling mechanism for intergovernmental agreements.
- <sup>50</sup> See Appendix F.
- <sup>51</sup> Health Canada. *Early Childhood Development: Strategy Paper (draft)*. January 2000.
- <sup>52</sup> Monsebraaten, L. Child care funding cut risky Report. *The Toronto Star*. Nov. 14 2001.

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## Appendix A

### Government/Community Consultations

From late November 2001 to February 2002 the Commission consulted with 94 key informants, including municipal, provincial and federal officials and elected representatives; business, labour, academic and public policy leaders and members of the children's service delivery sector. Informants were provided with a synopsis of the Commission's mandate, asked to suggest key recommendations for the report and to comment on the following areas:

- The need for increased support for early learning and child care services.
- The value of a formal status for municipalities in federal/provincial relationships.
- Precedents or examples from other jurisdictions that would support an enhanced role for municipalities.

Informant expertise and resources are incorporated throughout this report; the following provides additional highlights from the consultations.

**Few informants disputed the importance of the early years and the necessity for public investment.** However, business representatives were concerned that this is an area more likely "discussed in the lunch room than the board room," and encouraged a special effort to engage this and other non-traditional sectors.

**The cost of doing nothing will resonate in our economic performance for decades to come.** Recouping Toronto's prosperity requires a stable, competent workforce that runs much deeper than a highly skilled elite. If the knowledge economy is to produce a quality of life that is sustainable, it must also be equitable across the population. In order to nurture such a workforce, Toronto must have the tools to improve learning and development outcomes before children enter formal schooling.

**Immigration is important to Toronto.** The City has two sources of human capital for the new economy — targeted immigration that attracts people with the needed skills and abilities and the improved competence of the Canadian workforce. Immigration will undoubtedly continue to contribute to the development of a skilled workforce and continue to account for most of the City's population growth. Early learning and child care programs help integrate new arrivals, contributing to the social harmony that is one of Toronto's major assets. Newcomers must have full and equitable access to these opportunities.

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**Early learning and child care is an urban issue.** The Taskforce on Urban Affairs found child care surfaced repeatedly in its deliberations. Toronto's children are even more likely than the national average to live in families where parents are in the labour force. Economic realities and a changing urban economy will continue the trend of mothers in the workforce.

**Expanded service could help address chronic labour shortages,** particularly in the service and tourism sectors. Quality child care would permit parents now outside the paid labour force to consider these areas.

**Juggling work and family responsibilities is getting harder, not easier.** Actual numbers of hours of work are increasing, while parents with young children are bombarded about the new brain research and what they as parents must do to ensure their young children's optimal development.

**Programs must reflect the needs of today's families.** It is necessary to structure early development opportunities so all children can participate and parents can participate in the labour force. The effects of such programs are enhanced when workplace policies provide more flexibility for parents, but workplace policies cannot compensate for lack of consistent, quality programs for young children.

**Corporate/community partnerships are not a substitute for government leadership.** The Canadian Autoworkers and the "Big Three" auto companies spend more on child care than many provinces — yet cannot meet the needs of their workforce. Autoworkers can access company-paid child care subsidies to help offset the cost of community-based programs but parents report that few spaces are available. There is also less willingness to expand union/employer programs as government abandons the field. The first centres were built with government support but provincial capital funds are no longer available. Government wage grants for new staff have ended and part-time workers are no longer eligible for public subsidies.

**Programs must be holistic and available.** Specialized services are most effective when wrapped around a core system of early learning and child care. The benefits for children at risk because of social or developmental delays are limited if (1) children are not identified until after they have passed sensitive intervention periods, and (2) there is no site to deliver the programs.

**Programs must be monitored.** A regulatory framework that protects children's health, safety and well-being is essential. There should be incentives to ensure programs are evidence-based. It is important to track both program quality and children's progress. Indicators able to demonstrate that early learning and child care programs are having a positive impact on children's development will enhance support for public investments. Assessment must be scientifically based and free from immediate political demands.

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**Service providers feel demoralized.** Continuous battles to protect funding for child care and parenting programs have taken their toll on staff and operators. Participants are baffled and hurt by the disdain provincial spokespersons express for their work. No longer able to do more with less, the focus is on restoring lost funding with little energy for launching new initiatives, no matter how commendable. Similar sentiments can be found in the larger children's service sector where many feel they have been set up to compete for small amounts of funding and consulted one too many times, only to have their opinions ignored.

**Differences remain about who should deliver early learning and child care services.** One business group tabled strong concerns with the Commission about the differential funding treatment of commercial and non-profit child care operators. Other informants pointed to research indicating that non-profit auspices better support quality care and enhance accountability. A sizable portion maintains that early learning would best be delivered through an expansion of the public education system.

**The City was afforded top ranking over other levels of government in both understanding and effectively responding to community needs.** The Commission found enthusiasm<sup>1</sup> for Toronto to take on an expanded governance role. While informants differed on the feasibility of a "Charter" city, there was overwhelming agreement with the C-5's<sup>2</sup> message that urban health is critical to Canada.

**There is creative civic and political energy in the City that makes it ideally suited to respond to changing socio-economic circumstances.** The City's focus on children is both longstanding and exceptionally sophisticated. It has a demonstrated ability to engage community participation in priority-setting, planning and execution. It has leading edge expertise in needs assessment, community mapping, equitable resource allocation; setting achievable outcomes for service providers and promoting an integrated rather than a sectorized delivery model.

**Early learning and child care should be included in plans for urban renewal.** Business has developed a consensus with the City regarding infrastructure investment in transportation, housing and waterfront development. Children's services must be included when planning infrastructure needs. Good schools and community services make the City inviting to families.

**Downloading is a false problem.** Cities are where key capital and social initiatives should be planned and executed. The suitability of municipalities to do the job is not the issue; it is whether they have the needed resources and flexibility to meet their mandates.

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<sup>1</sup> One business organization felt the City required provincial control on spending.

<sup>2</sup> Vancouver, Montreal, Toronto, Calgary, Winnipeg have joined forces to raise the profile of municipalities with the public and senior governments.

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## Appendix B

### Initiatives in Other Jurisdictions

Europe holds many longstanding examples of publicly funded, universally accessible early education systems. Interestingly, while Europe's member states hold divergent perspectives on the labour market participation of mothers with young children, they concur that the early education of children is essential. Even states like Italy and Spain, where it is uncommon for married women to work outside the home, a variety of drop-in and pre-school programs are available for children.

Canadian policy makers often dismiss Europe as a model for application here. If Europe is too esoteric, there are examples from outside the continent. A few follow. All have shortcomings but do demonstrate approaches to combining new fiscal resources with integrated service provision.

- **Quebec** has combined parental leave, income supports and child care into an inclusive family policy package. Since 1997 it has doubled the number of low-cost (\$5/day) child care spaces and will spend another \$50-million this year to create an additional 20,000. The province takes responsibility for the broad policy parameters, funding, research, training, monitoring and enforcement. Representative area children's councils are charged with the planning and management of programs serving children aged 0 to 4. School boards have the lead for full day schooling and before- and after-school programs for children 5 and up. Community-based providers are responsible for group, home-based care and parent supports in defined catchment areas.
- **Britain's** early years program has three interconnected components: (1) pre-school programs for children 3 and up, offered through schools and community agencies; (2) the Neighbourhood Child Care Initiative, which has created 1.6 million new child care spaces to date; and (3) Sure Start, now in its first phase in 500 low-income neighbourhoods. In addition to direct service delivery, Sure Start is the umbrella that draws existing community service providers together. Service agreements mandate agencies to provide pre- and post-natal care, outreach, early learning and child care, parent education and an extensive range of family supports including literacy and job training. Government funding is available for capital construction, research and to fill service gaps. Sure Start programs link families to specialized services or may even purchase services on a family's behalf. Britain's central government provides the funding and works with communities to set local targets. How services are delivered is left to local governments to develop with agencies as part of their planning and infrastructure support functions. Example targets include reducing maternal smoking by 10 per cent; a 10 per cent reduction in child hospital admissions for preventable illness and injury. Every child is entitled to a free, part-time developmental program. If extended hours are required, a tax credit pays up to 70 per cent of costs depending on family income.

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- In 1998, **California** voters passed Proposition 10, The Children and Families First Initiative. Prop 10 promotes early childhood development from the pre-natal period to age 5 and fosters school readiness. It works through local county commissions to create a comprehensive, collaborative and integrated system of information and services. Tax revenues from tobacco products provide about \$700-million per year. The funding allows considerable local discretion. In many instances, local Prop 10 dollars are the glue that brings together various collaborative partnerships and funding sources. The State Commission promotes school readiness as an important organizing framework and works with the California Department of Education to create a new state-wide system for children from 0 to 8 and their parents within the education system.

Two recent papers provide detailed policy templates:

- *Starting Strong: Early Childhood Education and Care* is an examination of early education and care services in 12 countries including the U.S., western and Eastern Europe, and Nordic countries. Published last year by the **Organization for Economic Co-operation and Development**, it notes the surge of policy attention to the early years. Quality child care has emerged as a political priority. Although coverage for infants and toddlers is mixed, the trend is to full coverage for children aged 3 to 6. The analysis concludes that successful programs include: an integrated approach to policy development and implementation; strong and equal partnership with education; a universal approach with attention to children in need of special supports; substantial public investments in services and infrastructure; a participatory approach to quality assurance; appropriate training and working conditions for staff; plus monitoring, research and evaluation.
- A **Washington, D.C.**-based business group is lobbying its own sector to help build public support for investing in early childhood education. *Preschool for all*, by the Committee for Economic Development, outlines how universally available preschool education can be provided. It advocates a federal grant program to encourage states to develop strategic plans and timetables to expand preschool opportunities and provide human resources training. Delivery would be through "diverse service providers [integrated] into a coherent system that meets the education needs of young children, while addressing the child care needs of working parents." Costs would be shared between the federal and state governments. Parental fees would be geared to income and scaled back over time to provide a free core program for all children 3 to 6 years. At \$5,000/child, the report estimates the initiative would cost an additional \$35-billion. Media reports say U.S. President Bush is exploring bipartisan co-operation on early childhood development with the education chairs of the Senate and House of Representatives.

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## Appendix C

### **Child Care in Toronto: Can Intergovernmental Relations Respond to Children's Needs? An Options Paper**

Jane Jenson & Rianne Mahon

#### **Summary of Key Points**

- Access to high quality, educational non-parental care is a necessary component of a well-designed early child development policy. Quality child care is educational non-parental care that supports optimal child outcomes and positive parenting.
- Municipalities in Ontario have a mandated role in the administration, management and funding of child care programs. Ontario is the only provincial/territorial jurisdiction to have established a mandated municipal role.
- The City of Toronto developed a comprehensive Action Plan for Children that includes quality child care as a central component.
- Ontario is the only province that did not allocate a portion of the 2001 Early Child Development dollars from the federal government to expanding child care programs.
- Since the province of Ontario transferred full administrative and management responsibility for child care to municipalities in 1998, it has centralized and increased eligibility requirements for child care subsidy and imposed increased regulations on spending for child care.
- The City of Toronto has no available avenue to participate in discussions with either the provincial or federal governments.
- There are some precedents for federal-municipal relationships – the use of Canada Assistance Plan funding for child care in Alberta, housing, and homelessness. While municipal participation has been limited, federal-municipal discussions have had an impact on subsequent policy.
- Three possible options identified: a new status for the City of Toronto; direct funding arrangement with federal government for early child development (including child care); and, a leadership role with coalition of partners concerned about "urban agenda".

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## Appendix D

### Ontario's Early Years Plan

Excerpt from May 10, 2001, Provincial Announcement

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Services for Children with Autism	\$ 20,000,000
Infant Development	\$ 3,400,000
Children's Mental Health	\$ 6,900,000
Learning, Earning and Parenting (Ontario Works)	\$ 1,000,000
Early Years Capital	\$ 6,500,000
Pregnant Women with Addictions	\$ 2,500,000
Infant Hearing	\$ 600,000
Foetal Alcohol Syndrome	\$ 1,400,000
Prenatal HIV Testing	\$ 414,000
Sexual Assault Services	\$ 1,440,000
Aboriginal Nutrition Program	\$ 1,000,000
Community Health Centres	\$ 2,700,000
Injury and Family Abuse Prevention	\$ 4,000,000
Program Effectiveness Measurement	\$ 2,000,000
Child Outcome Measurement	\$ 500,000
Early Years Challenge Fund	\$ 15,400,000
Expansion of Early Literacy Agenda	\$ 5,000,000
Healthy Babies, Healthy Children	\$ 3,550,000
Prenatal and Postnatal Nurse Practitioner Services	\$ 250,000
Provincial Early Childhood Resource Centre	\$ 500,000
Healthy Pregnancy and Child Development Promotion	\$ 2,300,000
Support for At-Risk Pregnant Women	\$ 70,000
Funding for Public Education and Awareness	\$ 175,000
Prevention of Neural Tube Defects	\$ 135,500
Breast Feeding	\$ 150,000
Electronic Record for Prenatal and Postnatal Health	\$ 135,000
Perinatal and Child Health Survey	\$ 2,000,000
Early Years Centres	<u>\$ 30,000,000</u>
Total	<u>\$114,000,000</u>

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## Appendix E

### A Fair Share of the Federal Investment in Early Childhood Development

#### Federal Funding Proposal

	Share	2001	2002	2003	2004	2005	Total
<b>Federal Funding – Canada-wide</b>	100%	300,000,000	400,000,00	500,000,00	500,000.00	500,000.00	2,200,000.00
<b>Ontario receives</b>	40%	114,000.00	153,000.00	187,000.00	187,000.00	187,000.00	828,000
<b>Toronto receives</b>	20%	22,800.00	32,000.00	37,400.00	37,400.00	37,400.00	176,000
<b>Available</b>		22,800.00	30,600.00	37,400.00	37,400.00	37,400.00	165,600.00

## Appendix F

### Announced Provincial/Territorial Funding Priorities for Early Childhood Development

PROVINCE/TERRITORY	ANNOUNCED PRIORITIES AND PROGRAMS
British Columbia	Allocations for child care were withdrawn following the change in government. New spending priorities have not been announced.
Alberta	<ul style="list-style-type: none"> <li>• Day care</li> <li>• Early intervention programs</li> <li>• Foetal Alcohol Syndrome</li> <li>• Family Violence Prevention</li> <li>• Family Support</li> <li>• Protection of children in prostitution</li> </ul>
Saskatchewan	<ul style="list-style-type: none"> <li>• Child care</li> <li>• Prenatal service</li> <li>• Universal screening</li> <li>• Home visiting</li> <li>• Parent support</li> <li>• School readiness and literacy</li> </ul>
Manitoba	<ul style="list-style-type: none"> <li>• Child care</li> <li>• Parent child centres</li> <li>• Prenatal service</li> <li>• Foetal Alcohol Syndrome</li> <li>• Special needs</li> <li>• NCB restoration</li> </ul>
Quebec	Quebec does not adhere to the federal-provincial-territorial Early Childhood Development Initiative because of its constitutional jurisdiction on social matters
New Brunswick	<ul style="list-style-type: none"> <li>• Child care</li> <li>• Integrated child care</li> <li>• Preschool language</li> <li>• Prenatal service</li> <li>• Parenting program</li> <li>• Child victim witness program</li> <li>• Community development</li> </ul>
Nova Scotia	<ul style="list-style-type: none"> <li>• Child care</li> <li>• Lay home visiting</li> <li>• Co-ordination</li> </ul>
Prince Edward Island	Announcement expected shortly
Newfoundland and Labrador	<ul style="list-style-type: none"> <li>• Child Care</li> <li>• Family Resource Centres</li> </ul>
Yukon	Announcement expected shortly
Northwest Territories	<ul style="list-style-type: none"> <li>• Child care</li> <li>• Family support</li> <li>• Risk prevention</li> <li>• Community development</li> </ul>
Nunavut	<ul style="list-style-type: none"> <li>• Prenatal service</li> <li>• Family support</li> </ul>

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## Appendix G

### Key Informants

*The following individuals met with the co-chairs of the Commission.*

Maureen Adams, Success by Six, United Way of Greater Toronto  
Elyse Allan, Executive Director, Toronto Board of Trade  
Judith Andrew, V.P. Ontario, Canadian Federation of Independent Business

Neena Bandale, Red Apple Day Care, Toronto  
Pedro Barata, Campaign 2000  
Michael Bloom, Conference Board of Canada  
Alan Broadbent, C-5 Initiative

June Callwood, Activist, Author  
Barbara Cameron, Chair Political Science, Atkinson College, York University  
Pauline Carter, Executive Director, Ontario Municipal Social Services Association  
John Cartwright, President, Toronto and York Region Labour Council  
Bernice Cipparrone, The Annex Creche, Toronto  
Raymond Cho, Councillor, City of Toronto  
Olivia Chow, Children's Advocate, City of Toronto  
Paul Cloutier, Administrator, Income Support Division, Region of Durham  
Gerry Connelly, Executive Officer, Toronto District School Board  
Marg Cox, East York East Toronto Family Resources

Caroline Di Giovanni, Catholic Children's Aid Society of Toronto

Carolyn Farquhar, Conference Board of Canada  
Sharon Filger, Macaulay Child Development Centre  
Christa Freiler, Laidlaw Foundation  
Frances French, Salvaton Army Agincourt Temple  
Martha Friendly, Child Care Resource and Research Unit, University of Toronto

Adrienne Galway, Policy Analyst, Ontario Liberal Caucus  
Paul Genest, Prime Minister's Office  
Anne Golden, Conference Board of Canada  
John Godfrey, Chair, and Members of the Sub-committee for Children and Youth at Risk  
Brien G. Gray, Senior Vice-President, Canadian Federation of Independent Business

Kay-Ann Harriott, Scarborough Bluffs Day Care  
Lorie Higgins, YMCA-GTA Children's Services  
Dana Howe, Commissioner, Social Services Department, City of Windsor  
Shirley Hoy, Chief Administrative Officer, City of Toronto  
Sue Hunter, Toronto Child Abuse Centre

Jan Jensen, Director, Children's Services, Simcoe County  
Richard Joy, Executive Assistance to Michael Gravelle, MPP  
Dan Keating, Chair OISIE  
Ruth Kottas, Rexdale Home Child Care, Toronto

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Frances Lankin, Chair, United Way of Greater Toronto  
Kate Lauton, Research, Canadian Union of Public Employees, Local 79  
Jack Layton, President, Federation of Canadian Municipalities  
Judi Longfield, Member of Parliament

Cheryl MacDonald, Children's Services Consultant, City of Toronto  
Steve Mahoney, Member of Parliament  
Shelley Martel, MPP, New Democrat Children's Critic  
Patricia Martinez-Merjeries, Canadian Union of Public Employees, Local 79  
Julie Mathien, Social Development and Administration Division, City of Toronto  
Frank McKenna, Former Premier, New Brunswick  
Dalton McGuinty, MPP, Leader of the Liberal Caucus  
Jane Mercer, Coordinator, Toronto Coalition for Better Child Care  
Mark Mieto, Commissioner, Department of Health & Social Services, City of Greater Sudbury  
Pat Miller, LAMP Community Health Centre, Toronto  
Patrick Monahan, Professor of Law, York University  
Catherine Moraes, Senior Manager, Toronto District School Board  
Pam Musson, Program Manager Early Years Project, Toronto Public Health  
Fraser Mustard, Founders Network

Peggy Nash, Canadian Autoworkers Union  
Fiona Nelson, Children and Youth Action Committee, City of Toronto  
Marvyn Novick, Professor, Ryerson University  
National Children's Agenda Caucus of the Federal Liberal Party

Charles Pascal, Executive Director, Atkinson Charitable Foundation  
Brenda Patterson, Children's Services Department, City of Toronto  
Lesley Powell, The Lee Wiggins Child Care, Toronto

Arlene Perly Rae, United Way of Greater Toronto  
Bob Rae, Former Premier, Ontario  
Marna Ramsden, General Manager, Children's Services Division, City of Toronto  
Susan Reid, Commissioner Community Services Department, Niagara Region  
David Rew, Boys and Girls Clubs of Greater Toronto  
Laurel Rothman, National Coordinator, Campaign 2000  
Mary Rowe, C-5 Initiative

Barney Savage, United Way of Greater Toronto  
Christina Selva, Carpenters' Local Union 27  
Judy Sgro, MP, Chair of the Taskforce on Urban Affairs  
Carol Smith, Not-Your-Average Day Care, Toronto  
Lori Spardorica, Policy Advisor to Human Resources Minister Jane Stewart  
Dick Stewart, General Manager, People Services Department, City of Ottawa  
Jane Stewart, Minister of Human Resources Development  
David Szwarc, Commissioner, Social Services Department, Region of Peel

Eddie Thornton, Executive Director, Carpenters' Local Union 27  
Lisa Tjernstrom, Lakeshore Community Child Care Centre, Toronto  
Virginia Thomson, Junction Community Day Care, Toronto

Adelina Urbanski, Commissioner, Social & Community Services Department,  
Halton Region

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Petr Vermuza, Children's Services Division, City of Toronto  
Spyros Volonakis, Network Child Care Services, Toronto

*Correspondence was received from:*

John Baird, Minister of Community and Social Services, Ontario  
Ernie Eves, Candidate for the Conservative Party of Ontario Leadership  
Jim Flaherty, Candidate for the Conservative Party of Ontario Leadership  
Donna Cansfield, Chair, Toronto District School Board  
Lynn Myers, MP Waterloo-Wellington