

AUGUST 2024



# GETTING IT RIGHT FROM THE START

Submission to the Government  
of Canada's Guide on Building  
a Canada-Wide Early Learning  
and Child Care System



Atkinson Centre for Society and Child Development

Dr. Emis Akbari

Kerry McCuaig

## ABOUT THE ATKINSON CENTRE

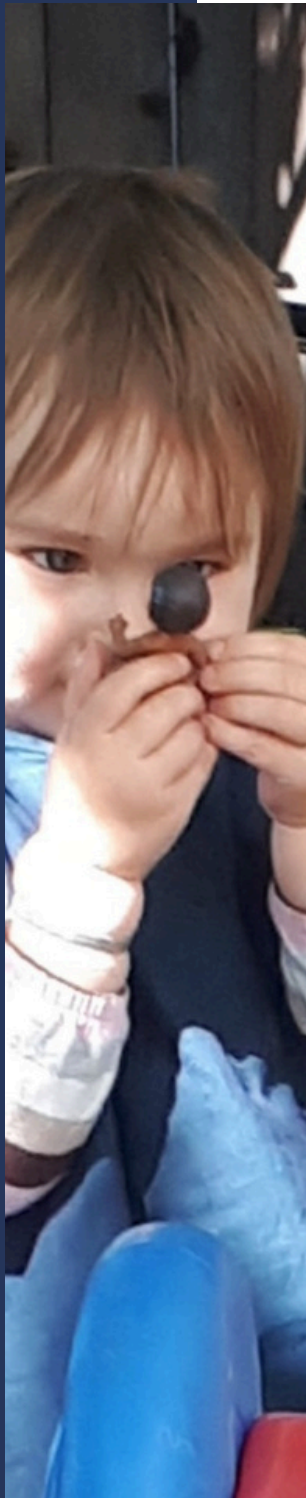
Established in 2000, the Atkinson Centre for Society and Child Development strives to mobilize the best available evidence to strengthen the quality of early childhood practice and inform public policy and discourse. In partnership with George Brown College's School of Early Childhood, the Centre provides training in policy research to undergraduate and graduate students. The Centre is guided by an understanding of the reciprocal nature of research, policy, and practice and works in collaboration with advocates and researchers across Canada.

## INTRODUCTION

In 2021, the federal government made a historic investment of \$30 billion over five years in early learning and child care. This significant financial commitment, coupled with subsequent agreements with provincial and territorial governments, as well as those with First Nations, Métis, and Inuit Peoples, marked a transformative shift in Canada's early learning landscape.

The Government of Canada is seeking input on its early learning and child care plan. It wants our impressions of progress to date and asks us to identify challenges and suggest solutions. The opportunity is welcomed. However, the Discussion Guide fails to address two areas:

- (1) the need for accountability structures at the federal and provincial/territorial levels;
- (2) ensuring service expansion is provided through public and non-profit operators.



## OBJECTIVE

The overarching objective of the Canada-Wide Early Learning and Child Care (CWELCC) strategy is to establish a country-wide system of child care services that is accessible, affordable, inclusive, and of high quality.

Extensive Canadian and international evidence strongly indicates that achieving these goals requires:

- a well-trained, compensated, and resourced workforce of early childhood educators;
- a robust public management system providing support, oversight, and accountability for ensuring public investment achieves outcomes;
- focused growth in the public and non-profit sectors as a protection for program quality and accountability.

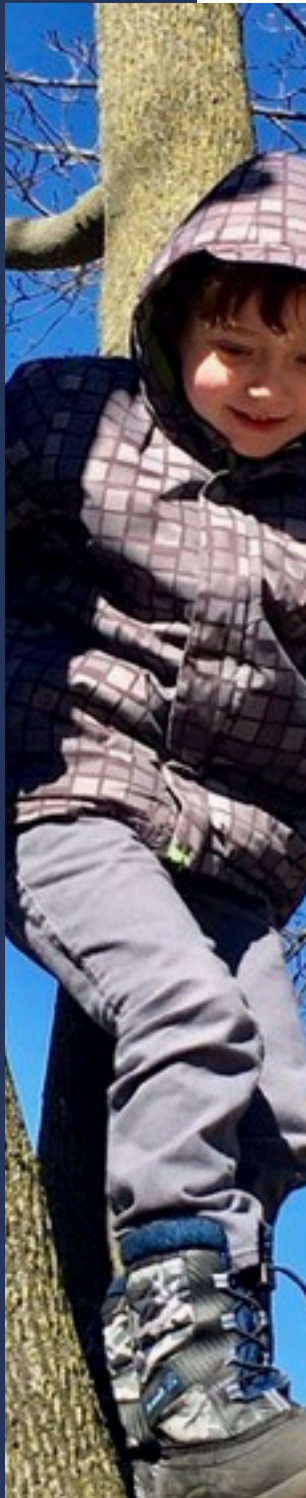
Transformation takes time. Although the CWELCC agreement is in its infancy, this is when the foundations are being established. Getting it right from the start is essential to success.

### WHAT DOES ACCESS TO HIGH-QUALITY, AFFORDABLE, FLEXIBLE, AND INCLUSIVE ELCC MEAN?

As the CWELCC system continues to evolve, public debate on the value of investing in early education persists. Canadian scholars, informed by both national and international research, agree that the value of high-quality early education goes well beyond the benefits for individual children and parents. Equitable access to inclusive, high-quality early education has cascading effects that contribute to more equitable social and economic outcomes.

**ELCC is a job creator/supporter.** Early childhood education is not just a support for working parents; it is also a significant job creator in its own right. Canada's labour force is shrinking, and it will continue to shrink. Early education helps equip participants with the skills necessary to thrive in a rapidly changing social and economic landscape. Failing to invest in the early years doesn't just drain economic and social resources—it leaves the future workforce underprepared and underperforming.

A key area where early education has a profound impact is on maternal workforce participation. High-quality child care enables more women to enter and remain in the workforce, which in turn increases economic productivity. This is particularly important in narrowing the gender wage gap, which is most pronounced when factoring in the presence and age of children.



**ELCC supports human development.** The pioneering work of McCain and Mustard in Early Years Study: Reversing the real brain drain shows that experiences during the formative first years of human development exert lifelong influences on cognitive development, social behaviour, health outcomes, and economic productivity.

A comprehensive body of scientific research demonstrates that high-quality early education enhances children's language, literacy, and mathematical skills. Equitable, accessible, and high-quality programs also play a crucial role in addressing socio-emotional challenges in children that, if left unchecked, can lead to negative outcomes like school dropout, mental health issues, and criminal behaviours.

Alarming, up to 25% of Canadian Kindergarten children are identified as vulnerable in one or more developmental domains. Early education is an essential mechanism for early identification and intervention, which can reduce the need for special education services later on and improve long-term outcomes. For children from disadvantaged backgrounds, dual-language households, and immigrant families, the benefits are even more pronounced.

By addressing developmental challenges early, these programs contribute to more equitable outcomes and better societal integration for vulnerable populations.

**ELCC is a settlement support.** Canada relies on immigration and on the skills of new Canadians and their ability to actively participate in the economy. A culturally sensitive and accessible early education system can be an important settlement service for newcomer families.

**ELCC is cost effective.** One of the persistent myths about early childhood education is that equity in access comes at the expense of economic efficiency. However, high-quality, affordable early childhood education has proven to be one of the most cost-effective social policies available. International research shows that universal access to high-quality early education reduces the need for social assistance and family transfers while boosting economic productivity through increased adult earnings, tax revenues, and purchasing power.

A prime example is Ontario's full-day Kindergarten program, which began rollout in 2010. The initiative has led to significant increases in maternal work hours and reductions in workplace absenteeism, both of which are critical indicators of productivity.

Organizations like the World Bank and the Organisation for Economic Co-operation and Development (OECD) continue to highlight the importance of early childhood education in advancing family, child, and gender equity. Yet it is essential that we keep the child at the heart of ELCC policy. Ensuring that early education policies and investments prioritize positive outcomes for children will lead to poverty reduction and broader social inclusion.

## WHAT DO YOU THINK A SUCCESSFUL CANADA-WIDE ELCC SYSTEM LOOKS LIKE?

A high-quality early education system requires universal access; inclusion; a well-compensated, educated, and supported workforce; accountability structures (including data monitoring); sufficient public funding to reach these objectives; and alignment with other societal goals such as sustainability and climate responsibility.

**Universal access.** Families, regardless of where they live, their culture, their language, or the unique needs of their children, need access to high-quality early learning programs. Affordability is an important element of access. Costs should not be a barrier to participation. Inclusion for all children must be at the core of the CWELCC agreements. Public dollars should be reserved for programs that provide equal admission to children with disabilities.

**A professional workforce.** Educators are the foundation of quality early learning. Their knowledge, training, experience, and compensation are associated with program quality and are predictors of positive outcomes for children. Any investments and policy developments in early education must therefore consider the working conditions and compensation of educators, which are fundamental to equitable access and program quality.



“

*Educator working environments are children’s learning environments.*

”

Compensation systems that consider educator responsibilities, years of experience, and education, and include extended health benefits and pensions, need to be a feature of the CWELCC strategy. Ensuring equitable access for those living in remote areas, and for Indigenous and francophone families, requires incentives to attract educators in general, and francophone and Indigenous educators in particular. Wage grids must consider the large portion of the workforce that are non-RECEs, many of whom work for wages that do not meet Market Basket Measures.

But compensation is only one element of a well-supported workforce. Educators also require pedagogical leadership and opportunities for professional learning to support the important work they do.

**Accountability matters.** Regular quality assessment and reporting are necessary for continuous quality improvement and effective decision making. Government accountability measures are part of ensuring the transparency and legitimacy that build public trust for actions that promote children’s well-being. Accountability structures should include consistent monitoring to support program quality; comprehensive systems for research, data



collection, and analysis; and regular collection and dissemination of population health measures to track children's developmental status and outcomes. In addition, public reporting on spending and progress toward reaching benchmarks and goals is crucial to driving improvements.

**Sufficient sustainable funding is crucial.** Funding levels must align with the established goals of access, inclusion, and affordability.

A high-quality system requires sufficient funding for expansion that considers inflation rates, allows for quality improvements, and supports monitoring, research, evaluation, and innovation.

**Align goals.** The CWELCC strategy is an opportunity to align the goals of a high-quality ELCC system with other critical objectives. Climate change continues to be one of the largest global threats. Children contribute least to the problem, but pay the highest price. Any spending of public dollars should incorporate climate responsibility and sustainability. Where and how child care centres are built offers opportunities for climate-responsible investments. These considerations should be part of any public initiatives, including the CWELCC agreements.

Overall, the CWELCC strategy is transformative. But transformation not only takes time, it also requires an evidence-based approach. Accountability structures need to be in place to ensure the intended outcomes are being met and that unintended consequences are not furthering inequities.

## WHAT CHALLENGES DO YOU, YOUR COMMUNITY, AND/OR YOUR ORGANIZATION EXPERIENCE IN ACCESSING AFFORDABLE ELCC?

The 13 jurisdictions charged with building a Canada-wide early learning and child care system all face similar challenges. Without attention and remedial action, there is a real risk of failure.

**Workforce shortages.** Workforce shortages represent the greatest obstacle to the success of the CWELCC strategy. Educator shortages hinder expansion efforts and deprive vulnerable children, remote regions, and minority communities of equitable access to early learning and child care services. Program quality suffers as staff burn out while working under conditions of increased demands with fewer resources.

Efforts to find solutions are hampered by the lack of precise data. The CWELCC strategy counts spaces; it does not require provinces and territories to track enrolment. Few jurisdictions have an accurate understanding of the status of their early childhood workforce. Arm's length evaluations of the ELCC system are also constrained by the limited data collected and reported. However, provincial and territorial studies provide valuable insights into the on-the-ground realities faced by the early years' workforce.

***Poor compensation and working conditions:*** A professional workforce requires professional pay and recognition. Educator wages in many parts of the country do not meet Market Basket Measures. In addition, non-RECEs, who are essential to service operations, are often excluded from wage remediation programs. As a result, many educators take on additional employment to supplement their incomes. Efforts to address educator compensation remain uneven across jurisdictions. The federal government has provided one-off funding to help address workforce challenges, but this offers only temporary relief.

The lack of trained educators also impacts program quality. Staff complain of burnout and turnover is high.

Some provinces are seeing reduced enrolment in their ECE training programs. Poor compensation steers new graduates away from child care as a career path.

***Impact on equity of access:*** Educator deficits undermine efforts to expand access. Studies highlight how waitlists for child care services have increased while spaces go unused due to staffing shortages.

Staff shortages are particularly widespread in remote and northern areas, francophone programs outside of Quebec, and Indigenous centres. In some communities, educator shortages are so severe that programs operate without any qualified staff.

***Children with disabilities denied access:*** Children with disabilities are acutely impacted by staffing shortages. Educators report that children with disabilities are being sent home as their support staff are pulled to other rooms to cover ratios. Children are also being denied enrolment or de-enlisted from centres. Even families who have funding through Jordan's Principle, a program designed to ensure equitable access to services for Indigenous children, are not getting the support they need because trained educators cannot be found.

**Access.** In addition to workforce shortages, other factors impede expansion and access.

***Subsidy barriers:*** Despite reduced fees, the cost of care remains prohibitive for many families. Fee subsidy requirements can be stigmatizing and often exclude children from the most vulnerable families. In addition, low-income families are means tested while their counterparts enjoy access to CWELCC-subsidized child care without the stigma and red tape. This entrenches the two-tiered system the CWELCC strategy was intended to eliminate.

***Regional barriers:*** Geographical barriers (such as rural, remote, and low-income areas), lack of culturally appropriate programs for racialized, francophone and Indigenous children, and the absence of related services such as public transportation lead many to opt for lower-quality, unregulated care. These barriers can also cause parents to drop out of the workforce, limit their work hours, or off-shift with the other parent.

**The for-profit challenge.** Although the CWELCC agreements aim to limit for-profit growth, the number of for-profit programs has increased in five Canadian jurisdictions. Some jurisdictions have bypassed the cap on commercial expansion by incorporating for-profit operators within their publicly managed networks. This is disingenuous. Despite public oversight, private centres remain private assets that are bought and operated with public dollars.

Provinces are also allowing operators to funnel public funding into their profit lines. Ontario, for example, designates 8% of a centre's operating costs for owner profit.

In addition, key informant interviews with Ontario municipal children's service managers uncovered aggressive attempts by private investors to access CWELCC funding. Firm restrictions on any for-profit growth should be a priority.

**Restricting funding for public programs.** School-delivered early learning programs are ineligible for CWELCC funding. These restrictions have led some jurisdictions to abandon their plans for pre-Kindergarten expansion. School-operated programs are universally accessible, comprehensive, and do not charge parent fees. They have been shown to enhance children's scholastic outcomes, facilitate smoother transitions to formal schooling, and reduce parental stress, making them a vital component of a national early learning and child care vision.



Additionally, Ontario has restricted the growth of municipally operated child care despite its many advantages. Like school-delivered early education, municipal child care offers higher quality services; provides good wages, benefits, and pensions; supports other community initiatives; and primarily serves vulnerable communities that other providers may overlook or are unable to reach.

**Insufficient funding.** Funding is not sufficient to reach the goals of a Canada-wide early learning and child care strategy. Expansion allowances do not meet the actual costs of new builds or renovations. Unlike for-profit owners, non-profit operators lack access to private financing. This disparity is advantageous for investors and fuels commercial growth. One-time funding for workforce or related challenges does not address systemic issues.

Funding allocations are not predictable, frustrating system manager and operator efforts to engage in responsible planning.

The \$9.2 billion in annual funding post-CWELCC is insufficient to sustain current operations, address inflationary increases, facilitate expansion, or allow for service improvements.

### WHAT PRIORITIES WOULD YOU, YOUR COMMUNITY, AND/OR YOUR ORGANIZATION LIKE TO SEE ADDRESSED BY THE CANADA-WIDE ELCC SYSTEM?

The development of a quality, accessible, affordable, and inclusive early learning and child care system is guided by the core principles of the CWELCC agreements. While provinces and territories are responsible for implementing the agreements, the federal government is responsible for holding them to the terms of their agreements.

Two elements threaten the establishment of a high-quality ELCC system: (1) the workforce crisis, and (2) the profitization of child care.

**Attention to the workforce.** National policy initiatives that fall under provincial/territorial jurisdiction often lead to uneven implementation. This is at least in part due to regional priority differences and demographic variations. Regardless of jurisdictional distinctions, without a well-trained and compensated workforce at its foundation the CWELCC strategy is in danger of derailment. Urgency for expansion and affordability needs to be balanced with patience to get it right. Low fees are driving demand which can not be reasonably met, leading to compromises with quality. Reducing ratios and/or qualifications of educators cannot be part of the solution. Ensuring the highest quality of care means paying attention to the best available scientific evidence. Rich interactions between children and adults are key to quality experiences and predict child outcomes. This cannot happen with a revolving door of educators.



**Refocusing efforts on public and non-profit ELCC programs will build a foundation for an ELCC system.** The determination by the corporate sector to take advantage of public funding is putting at risk efforts to build a strong ELCC system—the first in Canada. Public dollars should not go into shareholder dividends. Ontario is already attempting to renege on its agreement by trying to remove the cap on for-profit growth. The disastrous consequences of [E. coli poisoning in Calgary](#) child care centres, along with the painful lessons of long-term care during the COVID-19 pandemic, are ample warnings of the dangers of profitization.





### **DO YOU HAVE IDEAS ON HOW THE FEDERAL GOVERNMENT COULD SUPPORT THE ELCC WORKFORCE?**

A well-trained and supported workforce is central to high-quality early learning and child care. More than 300,000 people across Canada work with young children, comprising over 1% cent of the employed population. This highly racialized workforce is made up of mostly women. Improved salaries, working conditions, health benefits, and pension plans would advance racial and gender equality. Such initiatives would help recruit and retain a workforce able to provide the best care possible to the children and families it serves.

**Enforce the CWELCC principles.** There are opportunities for the Department to help realize the principles in the 2021 CWELCC Agreement and in the Early Learning and Child Care Act to guide the further expansion of child care services.

This must begin with enforcing quality measures already included in these documents. As the federal government holds the purse strings for much of the CWELCC agreement, it should exercise its spending power to enforce the standards agreed to.

A key factor is to stem the expansion of for-profit child care. Lessons from the United States, Australia, and the United Kingdom show how quickly the private sector can take full advantage of public resources. For-profit programs pay lower wages and are less likely to provide benefits, pensions, and professional development opportunities. Promoting a stronger public sector within the ELCC systems would help ensure every dollar invested is returned to the delivery of higher quality care. It would also ensure better jobs for educators, building a more professional and stable workforce.

Provincial regulatory systems are not a substitute for public/non-profit child care delivery. The best government oversight does not negate the fact that with for-profit child care, public funding is directed to private assets, under the direction of private owners.

**Focus on knowledge translation and dissemination.** The Department can make the best available research on system building available to policy makers, the sector, and the public. This would inform the need for enforcement measures, guide service development, and ensure educators receive the training and support they require to do their jobs well.

**Develop a training strategy for the workforce.** Considerable one-off funding allocations have been made available to recruit new entrants to the ELCC workforce. These have mainly been in the form of subsidized tuition. However, providing tuition vouchers to build the ECE workforce is akin to offering child care vouchers to parents to create child care. The latter does not create child care, and the former does not create a sustainable training infrastructure for early childhood education. Researchers at the University of Toronto identified massive training deserts across Canada. In addition, there is insufficient capacity within Canada's post-secondary institutions to train the cohorts of ECEs needed to staff service expansion.

Post-secondary education is within federal jurisdiction. The Government of Canada has the ability and the responsibility to develop schools of early childhood staffed by professionals with the competencies to equip the next generations of educators to meet the unique challenges they will face.

A training strategy recognizes that the ECE workforce extends beyond front-line educators to include administrators, pedagogical leaders, family support, curriculum developers, ancillary support staff, and specialists working with children with disabilities.

In addition, the federal government must also use its influence to discourage the flourishing of private training colleges. These types of institutions have a record of taking advantage of students financially and leaving them with unusable credentials and/or underprepared for the workforce. Public funding, either in the form of direct transfers or via student subsidies, should not be made available to for-profit colleges.



**Include the ELCC workforce under the Canada Labour Code (CLC).** The CLC is a federal law that governs labour relations, workplace health and safety, and employment standards in federally regulated industries in Canada. The Code is designed to protect workers' rights and ensure fair treatment in the workplace, while also setting obligations for employers.

The Code is applied to industries of national importance. We would argue that ELCC meets this criterion. As with efforts to provide pan-Canadian standards to long-term care coming out of the COVID-19 pandemic, similar efforts are required to protect the dignity of the ELCC workforce and the children it serves.

**ARE THERE OTHER INITIATIVES OR INNOVATIONS (E.G., THAT OTHER GOVERNMENTS, ORGANIZATIONS, ACADEMIA, OR BUSINESSES HAVE INTRODUCED OR PROPOSED) YOU THINK THE DEPARTMENT OF EMPLOYMENT AND SOCIAL DEVELOPMENT SHOULD BE EXPLORING TO HELP BUILD THE CANADA-WIDE ELCC?**

**Integrate early childhood into education.** The separation of child care from early education contributes to ongoing disparity in program development, administration, staff education requirements, and accountability. There are some excellent Canadian and international examples showing that integrated early education and child care programming provides a more seamless experience for children, along with better working conditions for educators. The CWELCC plan should not restrict provinces and territories from using CWELCC funding to deliver early learning and child care through their schools.



**Made-in Canada examples:**

- BC is piloting fully integrated before- and after-school care on school grounds.
- Full-day Kindergarten in Ontario, and Pre-primary in Nova Scotia, require schools to provide before- and after-school care options for families.
- The longest-running example of school-provided after-school care is in Quebec, where students aged 4 to 12 years receive their care at school.
- The Waterloo Region District School Board extended day program serves over 4,000 children. The Board has aligned fee collection and intake with the Region's Children's Services department to create efficiencies and ease access for families.
- The Public Health Department in Quebec's Eastern Townships offers daycare and school setting support and assistance in planning and carrying out positive interventions. The objective is to promote positive mental health and develop socio-emotional skills in the early years.

All these initiatives use existing school space, resources, and staff to reduce transitions for children and eliminate the stress of multiple pick-ups and drop-offs for parents. Such initiatives are also aligned with 15-minute neighbourhood sustainability goals.



**International developments:**

- Several countries have integrated early childhood as part of the education system. New Zealand, for example, has increased access through its schools and improved the qualifications of early childhood educators who are represented by the same union as teachers.
- The Government of Korea's plan to integrate early childhood into education aims to improve access and create an environment that recognizes how important early childhood programs are for families engaged in the workforce.

**Follow best practices in ECE compensation.** A properly compensated and valued workforce is key to early education program quality. Some Canadian jurisdictions have made long-term investments in supporting the ELCC workforce that include wages, benefits, and pensions, along with recognizing leadership and the unique contributions of those working in remote, Indigenous, and francophone communities.

- Educators in Nova Scotia working in programs covered by CWELLC are eligible to join a defined benefit pension plan offered through CAAT and a comprehensive group benefits plan through the Health Association of Nova Scotia (HANS). The approach makes effective use of existing public sector plans. Benefits will follow staff as long as they remain employed by a provincially licensed and funded child care centre or family home agency participating in the HANS and CAAT plans.



- Newfoundland's ECE wage grid provides a bonus for francophone educators. The government also provides educators with the same Labrador Allowance that is available to all public sector workers working in Labrador.
- The Yukon and Nunavut have a wage differential for educators working in remote communities.
- Manitoba's wage guidelines include directors and assistant directors and take program size into account.

**Combine ECE recruitment and training.** Building capacity during expansion effort is critical. PEI has formed a partnership with its labour market development ministry. People participating in job retaining receive an in-class introduction to early childhood development. They are then placed in a designated child care centre to gain work experience. The centre is then able to release members of its full-time staff to attend college to upgrade their credentials.

**Provide leadership support.** A well-supported workforce in high quality programs include the leaders at the helm. PEI funds additional staff members based on the size of the program to support administration, staff breaks, and meetings through their Pedagogical Support Program for Early Years Centres.



**Provide public funding conditional on including children with disabilities.** Inclusive programs are foundational to high quality early education. They ensure that all children have equal access to programs to support educational and socio-emotional development and well-being.

- In Manitoba, any program receiving public dollars must include children with disabilities.
- In New Brunswick, all Designated Early Learning and Child Care centres must include integration plans.
- Prince Edward Island's Designated Early Years Centres must be inclusive.
- Alberta's Early Childhood Services programs must accommodate children with disabilities.