

Remarks by:

***Charles S. Coffey, O.C.***

to the

*“Child Care Governance ~ Is There Another Way?”  
Think Tank Dinner*

**Early Child Development:  
*An Investment You Can Bank On***

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Debra, thanks very much for the warm welcome and introduction...I must say your vast experience is fascinating to me – you've been a front line early child educator and nursery school teacher; you've also worked for the YWCA Canada, the Manitoba Child Care Association and the Manitoba Government; then there's the too-many-to-mention children-driven board memberships and consultant roles. Last Friday, I understand you delivered a research presentation – Creating Places for All Children: Measuring Inclusion Quality in Early Childhood Programs – at the Manitoba Education Research Network Early Learning Forum. And if that's not enough, as the mother of three sons, you went through the pre-school and school age child care systems...in effect, you know the various aspects and issues revolving around early child development and child care more than most. Finally (as I obviously could go on and on about you), I hear great things about what's happening at SpeciaLink – I'm especially pleased that it's close to the University of Winnipeg's innovative Wii Chiiwaakanak Learning Centre and other Aboriginal education initiatives, as well as the RBC Community Learning Commons computer lab. Debra, you are an outstanding example of *leadership in action!*

It is a great pleasure for me to join you at this think tank in Portage La Prairie tonight and tomorrow – to be in the company of Minister Gord Mackintosh, Janet Shindle, Carolyn Loeppky, Dr. Susan Prentice, Trudy Lavalley, plus a whole host of Manitoba children's champions, as well as Carol Ann Young from Vancouver – more impressive *leadership in action!*

This evening, I will share some thoughts with you about early child development: an investment you can bank on...and this time I have been asked to focus on the business perspective and in particular on banking. So let's get started with a landscape overview first...

I begin with the question: are we ready for a fundamental change when it comes to investing in young children? I believe dialogues like this think tank, are essential, as they allow business, community and public sector leaders to step away from day-to-day activities and take time to communicate about longer-term issues of hugely strategic significance.

On October 27, 2008, there was an article in Metro News Halifax, entitled "Invest in future of Canadian children" that struck a chord with me. Reporter Wendy Cukier said:

"Something fell off the radar screen in the last (federal) election: Our children. Discussions of national child-care policy and early child education mostly evaporated when the markets crashed. But in tough times, support for young families is one of the best long-term investments Canada can make. Companies understand their ability to attract and retain workers, particularly young women, depends on support for working parents. More than 65 per cent of women with children under the age of five work outside the home, fuelling an acute need for quality options. Investments in early child education fuel economic and social development. Many ask "Can we afford the investment?" The better question, according to Canadian economists Gordon Cleveland and Michael Krashinsky, is "can we afford not?" Their cost/benefit analysis concluded that we spend far less on young children than on older children, despite evidence that 'the education of young children has greater payoff than dollars spent on the same children when they are older.' These issues should be burning concerns, not just to parents of young children or advocates, but to political and business leaders."

I was impressed that Wendy *got it* – plus she made the connection between early child development (ECD) and business. And Dr. Fraser Mustard would be impressed too. There's no doubt Canadians, in particular, have Dr. Mustard to thank for expanding our brainpower in the area of early child development, especially through the work of The Council for Early Child Development.

And if Fraser Mustard was here today, he would also want to applaud Minister Gord Mackintosh and the Manitoba Government's Family Choices strategy. Gord, it is gratifying to hear you and your colleagues say: "there's a natural connection between day-care centres and schools, whether it's elementary, middle or high school" – and that "investing in additional child-care spaces in schools enhances early learning opportunities for children and provides convenient and cost-effective child-care options for parents." And it's equally gratifying to hear: "Manitoba has identified 10 schools that have surplus space which can be modified for child-care centres, developing 343 spaces at a cost of \$1.5 million." Thank you for your *leadership in action*...and special thanks for attending another ECD think tank last May, led by the Business Council of Manitoba and Healthy Child Manitoba.

On December 11, 2008, UNICEF's Report Card 8 provided a comparative analysis of the status of early childhood education and care in the 25 most affluent countries. Canada ranked last (actually, we tied for last place). "The report observed that this is the first generation of children in which the majority - approximately 80% of 3 to 6 year olds and 25% of children under 3 - will be in some form of out-of-home child care. In Canada, close to 70% of mothers work and many families lack affordable, high quality child care spaces. The report makes it clear that high quality early child care and education services together with supportive policies and programs for working families are important for all aspects of children's development - and have major social and economic benefits for individuals, families and society: that in the first year of life, parental care is optimal and strengthens the case for full-year parental leave that is well-remunerated, available to self-employed parents and offers job security. And that investing in and monitoring equitable access to early childhood services of high quality is affordable for governments: it pays huge social and economic dividends and reduces future costs. Under investing risks poor outcomes and little value for money."

As Susan Prentice wrote for the Winnipeg Free Press on December 14, 2008 in her piece, *The Real Child Care Challenge*: "Child care is a green and labour-intensive service providing sustainable jobs. The key to positive gains is the quality of children's experiences. Policy-makers must immediately re-examine the current policy architecture, which devotes too few resources and allocates them ineffectively."

While interest in early child development has produced more public spending on programs in Canada, there is little accountability for the funding and little progress being made in pulling the service strands together into a coherent system. We're often talking chaos! Susan and others are right on the money: what is missing is a policy framework for an ECD system outlining a common vision, consistent goals, and clearly-defined roles and responsibilities for governments, communities and yes, business.

Strong, diverse public sector, community and business leadership needs to be at the same table when it comes to policy direction and issues about early child development. History has proven time and time again that shifts or changes in public policy don't usually take off until the business community rallies behind them. And it's clear that business has a vested interest in supporting and influencing the development of sound public policy, as business has a stake in early child development outcomes, i.e., education, employment, health, safety, increased productivity and community engagement. We know:

- High-quality early child development produces "long-term positive outcomes and cost-savings that include improved school performance, reduced special education placement, lower school dropout rates, and increased lifelong earning potential. Employers increasingly find that the availability of good early childhood programs is critical to the recruitment and retention of parent employees."

- “Numerous studies reveal there’s a cost to business in not responding to employees’ need for reliable and good-quality early childhood programs. Employees are likely to miss work when they spend long hours trying to find early childhood programs or when they deal with the often tenuous arrangements they have, especially when arrangements fall apart. When employees are at work worrying about their children, they have difficulty concentrating.”

The time is now for more public sector, business and community leaders to view early child development as an economic issue, not just an education or social issue. After all, “new Manitoba research estimates that every \$1 invested in child care generates \$1.58 of economic activity.”

When speaking about early child development across Canada, many people ask me the same question – how do we engage business – how do we attract more business executives – bankers – to ECD conferences and events? Quite frankly, there’s no simple answer. Early child development is hardly a universal brand or popular media headline, let alone a “catchy” phrase. In other words, ECD is a far cry from being embedded in corporate leader mindsets. Just ask most Canadian chief executive officers what’s important to their bottom line – managing a productivity issue or investing in early child development. For the most part, we know the answer to this question. Exceptions to this rule are hard to find in Canada, however I can refer to the Minnesota Early Learning Foundation launched by Cargill and the McKnight Foundation in 2006, which alone boasts a dozen CEOs on its board. I can also refer to bank leaders like Jim Rohr, who is Chairman & CEO of PNC Financial Services Group (headquartered in Pittsburgh) and the man spearheading the *Grow Up Great* initiative.

In a nutshell, “PNC Grow Up Great is a ten-year, \$100 million investment in preparing young children, from birth to age five, for school and life — so that an entire generation won’t just grow up... but grow up great. It is the most comprehensive corporate-based school readiness program in the United States. The ultimate goal of the three year old program is to help produce stronger, smarter and healthier children, families, and communities.”

“Preschool education is often overlooked in the broader debate about education” says Jim Rohr. He goes on to state: “Significant research over the past 40 years, however, supports the critical importance of equal access to quality preschool programs to reduce dropout rates, poverty and crime. And, at the same time, improve job skills and the labor pool. If we improve early childhood education now, we won’t have to spend nearly as much money later on special education, remedial job training, correctional facilities and other things that contribute little to economic growth.”

“PNC Grow Up Great invests in grants, sponsorships, television and print content, communications and volunteerism to promote school readiness - to help prepare young children, from birth to age five, for school and life, where school readiness means focusing on the whole child, including cognitive, social and emotional abilities. PNC has assembled partners and an advisory council of some of the nation's highly respected authorities within the early childhood field. They stand with PNC to advocate for the issue, help identify opportunities for strategic alliance and work to assess the success of various efforts.” Check out [www.pncgrowupgreat.com](http://www.pncgrowupgreat.com) for more information.

According to May 2007 study findings released by PNC, “business executives appear to underestimate the impact of quality, early childhood education on the development of a highly skilled workforce, Among the general public, there is agreement on the importance of early education for children. Strong support also exists among parents of all income levels for government-funded preschool.” The survey of executives from a broad range of industries and company sizes across the nation along with the general public and U.S. Congress found:

- “Most executives feel U.S. children are ill-prepared to learn when they start kindergarten as 56 percent say youngsters are somewhat/not at all prepared with basic skills like counting and spelling their name.
- When asked if attending preschool before kindergarten is very important, only 56 percent of executives agree compared to 73 percent of the general public and 78 percent of Congressional leaders.
- In comparing the quality of the new generation entering the workforce to five years ago: 25 percent of executives say it has improved; 39 percent say it hasn't changed; and 30 percent say it's worse.”

What other investments are financial institutions making in support of early child development and care? Well, back-up child care is gaining momentum as Canada's new employee benefit. Progressive Canadian employers are providing benefits to help parents with work and family responsibilities. Back-up or emergency child care offers employers the ability to effectively and affordably support working parents. CIBC, VanCity and RBC are three financial services organizations that are offering a form of this service in a variety of ways (models) and selected locations. It's great to see Dave Omichinski from Portage Credit Union here... Terry Burgess will address the RBC case tomorrow.

Nora Spinks, president of Work-Life Harmony Enterprises in Toronto, says that: “The business case for employer-supported backup child-care solutions is solid. When employees can be at work, focused, stress-free and guilt-free they are more committed, more engaged and more satisfied. When employees are happy, employers can meet rising customer and shareholder expectations, increase efficiencies and attract top talent and interested investors. Today, interest in back-up child care is growing in workplaces across the country, to the point where it could become a standard benefit over the next 10 years, especially in professional services, financial services and health-care sectors.” If you're interested in finding out more about the various back-up/emergency care models, please visit [www.worklifeharmony.ca](http://www.worklifeharmony.ca).

Canada's current reality is that millions of dollars are awarded to support post secondary institutions every year. Yet, major investments in early child development programs are sorely needed too. If more young children experienced quality early child development programs, more would likely aspire to attend university/college, accomplish great things there and give back to their communities.

When corporate Canada – especially the big banks - divide the philanthropy pie for education, why can't a larger piece be devoted to ECD? At the end of the day (at least so far), even though brain development research tells us that the most powerful opportunities for lifelong learning occur in the first six years of a child's life, decisions about public and private investment in education still do not consistently reflect this scientific finding.

And not surprisingly, there's more competition for every education investment dollar. On January 18<sup>th</sup>, Carolin Vesley wrote a piece in the Winnipeg Free Press – “Growing up is a never-ending task.” In part, the article states: “Middle childhood has long been the neglected member of the developmental family...“Evidence is mounting that middle childhood development is a more powerful predictor of adolescent adjustment and success than is early childhood development,” Kimberly Schonert-Reichl, a University of British Columbia educational psychologist, writes in *Middle Childhood Inside and Out*.”

There are plenty of arguments to legitimize greater public and private investment in early child development. It's part of every community's essential economic infrastructure, enabling parents to work. It's an incubator for a country's next generation of leaders. It sets the stage for greater student success in K-12 and this builds for a better and more productive workforce. And on both a local and global scale, it is also about making the link between ECD and poverty reduction.

Ultimately, early child development thrives on collaboration and partnership in order to work and work well - it requires community leadership, leadership at all levels of government and business leadership at a high level. Canada and our business community can be a pacesetter for early child development – as there is an intrinsic relationship between investing in children and human development. Without wanting to steal Terry’s thunder in the morning, RBC continues to invest in and support education and children. Although there’s much work being done across our country, we know there’s much more for corporate Canada to do – notably financial institutions – and we all know that Talk – Action = 0.

It will take a huge “get it” commitment from governments and corporate Canada. It will also take a huge “get it” commitment from dedicated local champions and change agents (people like Jane Wilson and Carol Gott from Rural Voices), plus a shared ownership infrastructure, including the media – everybody working together to invest in children and build on our many achievements. Talk about a call to action for investing in early child development that you can bank on!

Congratulations to the Child Care Coalition of Manitoba for producing the first-ever economic and social impact studies of child care in three regions of this province. Congratulations to Harley Grouette and Gail Scott of Maple Leaf Foods for representing business – given the outstanding leadership brand of Michael McCain (especially in recent tough times), I’m not surprised you’re here. Congratulations to Janice Delf of the Westend Day Care in Portage la Prairie and Shauna Richards, from Morden Community Child Care – your centres represent the handful in the country, which have flexed hours to stay open until midnight and offer care on weekends to better meet family needs. Congratulations to each and every children’s champion at this think tank. I am greatly encouraged by this forum, along with the *leadership in action* in this room. I sense the momentum and readiness for change.

Speaking of momentum and change...on January 20<sup>th</sup>, the new Obama Administration in the United States wasted no time overhauling the White House website. Early child development was front and centre on the education agenda (as it was during the campaign). Did you know that: “President Barack Obama has been a champion of early childhood education since his years in the Illinois legislature, where he led the effort to create the Illinois Early Learning Council? Did you know that he introduced a comprehensive “Zero to Five” plan to provide critical support to young children and their parents by investing \$10 billion per year to create Early Learning Challenge Grants to stimulate and help fund state “zero to five” efforts? And did you know that the President is creating a Presidential Early Learning Council to increase collaboration and program coordination across federal, state and local levels?” Sounds like more *leadership in action* to me...

And finally...you may have read the 'What I Want for You — and Every Child in America' letter President Obama wrote to his children last week. In part, it went like this:

“Dear Malia and Sasha,

...I ran for President because of what I want for you and for every child in this nation. I want all our children to go to schools worthy of their potential - schools that challenge them, inspire them and instill in them a sense of wonder about the world around them. I want them to have the chance to go to college - even if their parents aren't rich. And I want them to get good jobs - jobs that pay well and give them benefits like health care; jobs that let them spend time with their own kids and retire with dignity. And I want every child to have the same chances to learn and dream and grow and thrive that you girls have. Love, Dad.”

Talk about a call to action for investing in early child development that you can bank on! Thank you.

