What Is the Best Policy Mix for Canada’s Young Children?

Sharon M. Stroick, Ph.D., MCIP
Jane Jenson, Ph.D.

CPRN Study No. F|09
The findings of this paper are the sole responsibility of the authors and, as such, have not been endorsed by the agencies mentioned throughout this publication.
This research is dedicated to

Dr. Suzanne Peters

February 18, 1947 – March 22, 1999

*Your legacy lives on.*
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In the fall of 1996, conversations with policy advisors and social services agencies identified a growing state of alarm about Canada’s children. The 1989 euphoria about Parliament’s pledge to eliminate child poverty by the year 2000 had turned to despair as the economic slump and cuts to federal and provincial income supports created extraordinary pressures on parents – whether they were working or not – and pushed hundreds of thousands more children into poverty.

News stories were highlighting increasing evidence of poor outcomes for children, especially poor and marginalized children. At the same time, research evidence was creating a sense of urgency about the need to invest in the early years in order to assure children a happy childhood and the best possible chance of becoming fulfilled and productive adults.

Public debate about the stresses on families and children was confused by the competition among different schools of thought about what kinds of investments were needed. Some people were advocating child care, others were focussed on income transfers, and still others gave more priority to preventive programs and services such as Family Resource Centres. In the background were insistent voices that the problem could be solved if mothers would stay home with their children.

Suzanne Peters, who was then Director of the Family Network of the Canadian Policy Research Networks, felt instinctively that this battle of wills over the right solutions for children was counterproductive. She argued that there was no single route to meet the needs of families. She decided to bring all these different views together to begin to think through what combination of supports and services would work best for families and their children at this time in our history. Her hope was that CPRN could play a catalytic role in the debate by taking a more comprehensive look at the challenges facing families.

She began by organizing a workshop, hosted by the Laidlaw Foundation, which included a cross-section of federal and provincial policy advisors, academics, and social advocates. Together we brainstormed a research agenda that would be anchored in the views of citizens and parents, and focussed on the question, What Is...
the Best Policy Mix for Canada’s Children? The result was nine individual papers plus A Policy Blueprint for Canada’s Children published in October 1999. The Blueprint has been greeted with enthusiasm by interested parties across Canada – policy advisors, teachers, corporate leaders, and activists at the community level.

This volume includes the recommendations put forward in the Blueprint and also provides a synthesis of the entire research program. It casts its net widely across the values influencing policy, the outcomes or markers for gauging the well-being of children, the policy goals of Canadian governments, the policy practices in Canada and abroad, and emerging patterns of governance. The study reports on the work commissioned for the project, but also synthesizes other research completed in recent years, including especially the research made possible by the National Longitudinal Survey of Children and Youth created by Statistics Canada and funded by the Applied Research Branch of Human Resources Development Canada.

I want to thank the group of Canadian foundations that provided most of the money for this research, and the Advisory Committee of 21 Canadians who worked with us over the three years, reading drafts, attending workshops and roundtables, offering advice and constructive criticism, which helped us to keep the project moving, and weathering Suzanne Peters’ illness. The authors, Sharon Stroick, who joined the project when Suzanne was no longer able to work, and Jane Jenson, who was appointed Network Director following Suzanne’s death, have done a remarkable job of capturing her vision and weaving together the threads of all this research into a story that provides both a comprehensive record of where Canada stands on policies for children at the end of the 20th century and a road map for the early part of the 21st century. Perhaps just as important, the study lays out the markers for assessing whether we are making progress in achieving better outcomes for children.

I also want to thank Suzanne for getting us started on this journey. I think she would be proud of what we achieved, and delighted with the response to the ideas in the Blueprint.

Judith Maxwell
November 1999
A concern for child well-being prompted the Canadian Policy Research Networks to undertake a three-year multi-staged project which asked, What Is the Best Policy Mix for Canada’s Children? This study provides some answers based on a synthesis of that research, which examined policy practices, policy thinking, public values, and the outcomes achieved by children in Canada and a number of comparable countries. It knits together the key findings from several strands of research and demonstrates how policy instruments can be combined across sectors to achieve policy goals that lead to improved child outcomes.

This report builds the case that all citizens should care about the well-being of children. Children are “nested” in multiple environments: the child within the family, the family within the larger community of neighbourhoods and workplaces, the community as defined by different geographic and political boundaries, the public institutions (such as schools) that provide community infrastructure, and the governments that provide the resources and policies that allow each of these nests to function well. Each of these distinct spatial and political environments are also social nests in which children and, in turn, families are nurtured.

Restructured employment patterns, restructured families, and changing approaches to policy have all had an effect on the capacity of parents to meet the needs of their young children. Parents need employers and communities to support family life. In addition, they need all orders of government to make investments in children and parents. Research evidence on child outcomes demonstrates clear consequences for young children following from parents’ ability to provide for their families, financially and through sound parenting practices.

When all the actors who form the societal nest in which children live work in concert, their actions combine to foster the enabling conditions needed to ensure child well-being and healthy development. The three enabling conditions identified in our research are: (1) adequate income, (2) effective parenting, and (3) supportive community environments. A number of actions can be taken to foster these conditions:
• **Adequate income**, preferably earned income, can be assured by recognizing the cost of raising children, significantly reducing the cost of child care for employed parents, and providing additional income support to families with low earned incomes, social assistance payments or maintenance payments.

• **Effective parenting** can be supported through improved paid and unpaid parental leaves, flexible employment hours and schedules, improved access to health and developmental programs as well as community resource centres, and enhanced availability of developmental child care and preschool for both employed and stay-at-home parents.

• **Supportive community environments** can be provided for children through access to reliable education, health, social, and recreational services, by providing integrated delivery for all of these services, by creating “child friendly” spaces and systems, and by collaborating across sectors to promote better outcomes for all children.

What is needed now is a societal strategy for children. The development of a societal strategy that includes the best possible mix of policies requires innovative thinking and the adjustment of longstanding habits by governments and leaders in the private and voluntary sectors. Such a strategy will require a significant investment of money, political will, time and energy. The costs are not modest, but the costs of *inaction* are even greater, since the problems that emerge in childhood have an important bearing on the adult as a worker, parent and citizen.

The values and preferences held by Canadians about child and family policy also inform this analysis. The different data sources that were analyzed for this research point to a number of components that should be considered when creating the policy mix developed as part of a societal strategy for children. For example, Canadians have consistently stated that children are a high priority for public spending, that healthy child development in the early years requires a sustained high investment by all stakeholders, and that health care and education are essentials that should continue to be the backbone of Canada’s universal social programs.

Child outcomes refer to measures of physical, emotional and behavioural achievements or failures, relative to an age-specific peer group. The measurement, tracking and reporting of child outcomes can play a significant role in the policy design and development process used to create and strengthen a societal strategy for children. Although the primary reason for measuring child outcomes is to ensure that the life circumstances of children improve, the focus on outcome goals also helps to mobilize action by employers, voluntary organizations, and others in the community.

CPRN also examined the research evidence related to child outcomes in five countries and explored the association between public values and the policy instruments used to invest in children and their families in eight countries. Family policies have emerged for a variety of political, economic and demographic reasons. Historically, policies for children and families have been implemented successfully
in nations with a history of social democracy, structures requiring negotiation among various interest groups, and a centralized government. Key to this success was a willingness by government to invest in children and families and a general consensus on the need for government to do so.

In addition, countries that pursue a more broad-based approach to policy and program delivery have superior records related to child outcomes than countries that target support only to certain groups. Further, the allocation of resources through social transfers appears to have a much greater effect on alleviating child poverty than does lowering family taxes. Policy choices, and the values that support them, appear to affect the level and kind of support provided to families with children and the outcomes that children achieve.

Governments in Canada have undertaken major reforms in recent years in the ways they address the needs of families and organize their income security programs. New forms of income redistribution are emerging along with programs for intervention in early childhood. In developing these initiatives, governments have taken new directions in the design of public policies that break with most of the traditions and precedents of past decades. At the same time, the last few years have seen a frontal assault on the problems of public finance. With the deficit and debt under better control, there is now room for innovation in policy design.

We conclude from our research that there is no single policy or program that can meet the needs of Canada’s children. We therefore provide a blueprint for creating a mix of policies that, together, produce the enabling conditions of healthy child development. Thus any program, and all family policy instruments, must serve and balance multiple end goals.

Canada must stay within the bounds of fiscal prudence and there are other important claims on the public purse, for tax cuts and other spending changes as well as for debt reduction. Nonetheless, our extensive analysis of research evidence and dialogue with Canadians also makes it very clear that the time has come for a sustained societal investment in children and their families. Phased implementation of this blueprint for action will be necessary to sustain the current momentum and build the better outcomes we want for Canadian children. Therefore, we recommend that:

- All governments strengthen their regulatory frameworks to provide better protection for parents who wish to take unpaid leave at the time of child birth or adoption, or for family reasons.

- Maternity and parental benefits be either removed from the Employment Insurance regime and that a separate fund be created for them, or that a separate compartment be created for them within the current program, in either case with an appropriate adjustment to financing arrangements.

- Employers innovate in order to render working hours and other employment conditions more sensitive to the fact that many of their employees have family responsibilities.
• Provincial and municipal governments, school boards, the voluntary sector and employers all make substantial new commitments to developmental child care, including kindergarten, so all young Canadian children will have access to high quality preschool services.

• A two-pronged approach be used to deal with the price of child care. One is substantial investment, via subsidies, in developmental centre-based care and family day care. This involves subsidizing both infrastructure and operating costs as well as controlling prices to allow parents to find quality care for very low or no cost. For parents who cannot or choose not to have their children participate in these programs, the Child Care Expense Deduction should remain available to them.

• A universal credit for taxpayers with dependent children be instituted.

• The amount of the Canada Child Tax Benefit be increased significantly.

• Provinces take the lead in fostering and overseeing a more consistent network of services so that all children have access to the health and developmental monitoring and intervention programs that have been found to have a significant positive effect on child outcomes.

• Provincial governments take the lead in developing community resource centres by supporting cross-sectoral partnerships that provide integrated, community-based service delivery for children and families.

It is essential to view these action steps as a “package” that will be fully implemented over time. The entire package is needed to ensure that the overall policy mix achieves and maintains a correct balance. The blueprint for action developed in this report is meant to shape decisions over the next several years as funding can be allocated and as the capacity to provide key services is created. Every policy actor must take a lead role in some part of the strategy if children and their parents are to receive the support that CPRN’s research shows they need and want.

Canada has the capacity to implement a societal strategy that will provide the best policy mix for all of Canada’s children. Research evidence and public dialogue have uncovered what is needed. Now the only issue is whether, as Canadians concerned about our children and their future – which is also our future – we are willing to make the necessary commitment to action.
Acknowledgments

This study is the culmination of a multi-staged research project that began in the Fall of 1996. The project What is the Best Policy Mix for Canada’s Children? would neither have come into being nor been completed without the sustained efforts of many people: the vision of the late Dr. Suzanne Peters, the commitment of Judith Maxwell, the ingenuity of the cadre of researchers who contributed to the project, and the generous support of the project funders. These core commitments were supplemented by the sage advice willingly provided throughout the project by members of the Best Policy Mix for Children Advisory Committee, the voluntary participation of experts from across Canada who readily shared their insights and experience via roundtables, workshops and the review of papers, and the administrative and technical support provided by the Canadian Policy Research Networks (CPRN) staff in Ottawa and Toronto.

Dr. Suzanne Peters, Director of the Family Network of CPRN from its inception in December 1994 until her death in March 1999, saw the need for a societal strategy for children. The Best Policy Mix for Children project activated that vision by generating the kinds of reliable information needed to enlist the support of governments, employers and communities in creating a societal strategy to invest in optimal child development. CPRN president, Judith Maxwell, supported and promoted that vision and worked tirelessly to ensure that the project would fulfill its promise. I am in awe of Suzanne’s visionary capacity, her passion for life, and her resolve to build a more caring society, all of which she shared with so many. I am also deeply grateful for the insight, guidance and support Judith Maxwell has so generously given since I joined the Best Policy Mix for Children team as project manager in October 1998.

Many researchers from across Canada contributed to the success of this project through the consolidation of existing data and the conduct of innovative and original work. The funders who supported this project, both directly and through their commitments to CPRN, made all of this research possible. Particular thanks are extended to the Laidlaw Foundation for their generous support. The specific research projects conducted for the Best Policy Mix for Children project, listed by author, are appended to this document, as are lists of the current members of the
project Advisory Committee and our funders. My appreciation and thanks are extended to them all.

Last, but certainly not least, many CPRN staff members quietly but diligently worked behind the scenes to ensure the success of the Best Policy Mix for Children project. The efforts of Gisèle Lacelle, Louise Séguin-Guénette, Annette Wilcox, Suzanne Fortey, Sylvia Burns, Rhonda Ferderber, Michelle Lavoie and Lynn Chalifoux are particularly appreciated and I thank them all for their support. The guidance, assistance and substantive contributions provided during the final stages of this project by Judith Maxwell and newly appointed Family Network Director Dr. Jane Jenson were invaluable. In addition, heartfelt appreciation is extended to my own “family network” near and far, for the love, faith, encouragement and unwavering support provided to me during this project and always.

Again, I am deeply grateful to everyone who contributed time, energy and expertise to the many facets of the Best Policy Mix for Children project. Each of you has made a difference.

Sharon M. Stroick, Ph.D., MCIP
Best Policy Mix for Children Project Manager
November 1999
## List of Abbreviations

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<td>Best Policy Mix for Children</td>
<td>CPRN Family Network research project: What Is the Best Policy Mix for Canada’s Children?</td>
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<td>CAP</td>
<td>Canada Assistance Plan</td>
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<td>CAP-C</td>
<td>Community Action Program for Children</td>
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<td>CCED</td>
<td>Child Care Expense Deduction</td>
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<td>CCSD</td>
<td>Canadian Council on Social Development</td>
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<td>CCTB</td>
<td>Canada Child Tax Benefit</td>
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<td>CHST</td>
<td>Canada Health and Social Transfer</td>
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<td>CPRN</td>
<td>Canadian Policy Research Networks Inc.</td>
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<td>CRRU</td>
<td>Childcare Resource and Research Unit, University of Toronto</td>
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<td>EI</td>
<td>Employment Insurance</td>
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<td>NCA</td>
<td>National Children’s Agenda</td>
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<td>NCB</td>
<td>National Child Benefit</td>
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<td>NLSCY</td>
<td>National Longitudinal Survey of Children and Youth</td>
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<td>SUF</td>
<td>Social Union Framework, the name commonly used to refer to the Framework to Improve the Social Union for Canadians</td>
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What Is the Best Policy Mix for Canada’s Young Children?
Introduction

Canadians and their governments pride themselves on their reputation as a caring and just country, whose citizens live well and whose social infrastructure is strong and fair. Each time the United Nations’ Human Development Index report is issued, we celebrate the high score achieved. Yet, that overall success story hides less positive ones. In particular, we do not hold pride of place when it comes to creating the societal conditions that promote child well-being.

If we are not doing well enough, how can we do better? We argue here that Canadians can work together to create a societal strategy for children. The efforts of all sectors of society will be needed because so many factors combine to create the enabling conditions that contribute to good outcomes in the realm of child well-being and development: adequate family income, effective parenting practices, and supportive community environments. Families, communities, employers, public institutions and governments all need to take specific actions to foster these enabling conditions and, in so doing, improve the life chances of Canadian children – and these separate actions must be taken in a conscious and coordinated way.

In order to increase awareness of the enabling conditions that lead to better child outcomes, the first four chapters of this study map the terrain to increase our understanding of this complex issue.

How can we enhance coordinated action to foster these three enabling conditions? The final chapter of this report examines the policy goals and instruments available to the public, private and voluntary sectors and provides a policy blueprint for creating the enabling conditions that can lead to improved child outcomes.

Concern for good child outcomes gave rise to the major project, What Is the Best Policy Mix for Canada’s Children? The overall project goal is to contribute to the development of a societal strategy for Canada’s children.

To ground its conclusions in evidence-based research, the Canadian Policy Research Networks assessed the situation of Canadian children and their families, including the values held by Canadians about issues related to parenting. It compared patterns of child outcomes in Canada to those found in other countries. It mapped the policy practices of our governments as well as some in Europe and the United States. It drew conclusions about policy goals and instruments that might move Canada closer to where it wants to be – among those countries doing the best in the world for their children.

The successful elaboration of a societal strategy for children requires a common language for discussion and an understanding of the factors affecting children’s life chances. This report begins to
build that common language and contributes to the common vision that will enable Canadians to help all parents meet the many and varied needs of their children.

One premise of this study is that shared goals for Canada’s children can be developed, as can a commitment to collaborate in order to achieve them.

A second premise is that arriving at a societal strategy for children is a responsibility that must be shared by parents, families, neighbourhoods, communities, employers, public institutions and governments. This shared responsibility must be accompanied by a commitment to specific actions to achieve shared goals and a willingness to track progress towards their achievement.

A third premise is that creation of a societal strategy for children is no easy task. It is innately difficult because the needs of children cross the traditional policy domains of governments, not fitting neatly and exclusively into existing categories such as education, health, housing, justice, labour, tax policy, and so forth. Child well-being is also affected by the policies of employers in the public, private and voluntary sectors. In addition, outcomes for children are affected by the policies of voluntary agencies, service clubs and so forth that provide programs, services and support for children and families on an occasional or ongoing basis.

The development of a societal strategy for children that includes the best possible mix of policies requires innovative thinking and the adjustment of longstanding habits by governments and other policymakers in the private and voluntary sectors. It requires a new framework as well as cross-jurisdictional learning and collaboration. Such a strategy will require a major societal commitment as well as a significant investment of money, political will, time and energy. The costs are not modest, but change can be undertaken, step by step, if Canadians so choose.

**What Is a “Best Mix of Policies” for Young Children?**

An enormous range of programs and services that support children and families are delivered by diverse government ministries and departments, the private sector, and voluntary agencies. Moreover, policies are too often implemented with minimal lateral consultation or coordination, much less integration across sectors. This lack of policy coordination, and the multiple systems that have to be accessed to receive support, are sources of deep frustration for parents who are trying to best meet their children’s needs.

Therefore, an initial step towards clarification is to recognize that policies towards children and families may have a variety of goals, and that choices among goals can be made and may be required. Looking back over the past few decades of Canadian politics, we can construct the following list of goals that have at times underpinned the actions of policymakers.

- **Recognizing and supporting the costs of child rearing for all families:** This was, for example, the policy goal of the universal family allowances established in 1947, as well as the goal of the tax exemption for dependent children first set out in 1918.

- **Reducing and preventing poverty and economic vulnerability:** This has been a traditional policy goal and, therefore, income redistribution for this purpose remains a policy focus in all of Canada’s provincial and federal jurisdictions.

- **Fostering gender equality in the home and the workplace:** Although gender equality was a dominant Canadian policy goal during the 1970s, it now seems a less significant part of the policy discourse. Key issues remain, however, such as balancing work and family time and confronting the problems of single parents, an overwhelming number of whom are women.
• Increasing meaningful parental choice in meeting family needs for parental and nonparental child care: Meeting this goal would provide parents with real choices about whether to use nonparental child care services, as well as making sufficient quantities of services available so that parents have access to them.

• Advancing child development in the early years: This objective promotes developmental care for children. The term “developmental care” is used in this report to denote programs for young children that offer nurturing care, physical and intellectual stimulation, school readiness, and the prevention and early detection of problems. This is an emerging policy goal in several provinces.

• Facilitating parents’ transition from social assistance to employment: There has always been a broad policy focus aimed at facilitating the labour force attachment of all Canadians. However, in recent years, a special emphasis has been placed on moving parents on social assistance into employment. As currently seen in many provinces, this goal underpins a number of programs such as job training, workfare programs for social assistance recipients, and subsidies for child care to facilitate parents’ employment.

These goals obviously overlap and may be met by a variety of policy instruments. For example, income redistribution policies can be used for two very different purposes: either as a means to share in the costs of raising children that all families incur or, conversely, to target support to only the most economically vulnerable families. Similarly, child care policies can be used to promote parental choice about nonparental child care options, to enhance early childhood development and education, or to serve as a tool for promoting goals as diverse as parental employment or gender equality.

In the current Canadian system, with many ministries delivering policies for children that have a variety of goals, they can sometimes work at cross-purposes. For example, Ontario is promoting informal, custodial child care for parents in its workfare program while simultaneously discussing the importance of high quality developmental child care. Clearly, the need for policy coherence, both within and across jurisdictions, is paramount.

Complicating this challenge, policy development is not the sole responsibility of government. Employers across all sectors develop personnel policies about working hours, leave provisions, and so forth that affect employees’ capacity to balance employment with their family lives. In addition, voluntary organizations, service clubs and other community organizations develop policies about the types of services and supports they will provide or fund.

This research project seeks to disentangle this policy web and bring some needed clarity to the discourse on policies aimed at young children in Canada. Given the varied goals already identified, our emphasis is on seeking a mix of policies. This study provides the evidence for moving towards a mix of policies to achieve a range of goals and to ensure that policy coherence becomes the norm rather than the exception. As this study will show, the evidence demonstrates that all Canadian parents need an array of policy choices to enable them to fulfill their family responsibilities and improve the lives of all of Canada’s young children.

The Parameters of the Research

A Focus on Policies for Children and Families

This research examines the types of public policies that traditionally come under the heading of family policy. Therefore, it does not concentrate on policies related to taxes, labour, health care or compulsory public education. It is recognized, however, that policies from these realms bump up against policies for children. By way of example: (1) tax and labour policies affect family income and parental leave provisions, (2) parenting education and support programs can be provided as public
health or community education programs or as part of school studies, and (3) care for disabled children is often provided under the health mantle while their educational needs fall under education policy for children with special needs.

A Focus on Young Children

When we speak of young children, what do we mean? At the outset of this research project, the intent was to examine federal and provincial policies in Canada that were aimed at promoting the healthy development of all children and designed to support and enable parents to maximize their children’s development throughout the life course. Early scans of the research on child development and child outcomes indicated that the bulk of information available focused on children under the age of 12, especially on preschool children. Further, we discovered an emerging trend by governments to set performance targets for all forms of policy, including policies and programs aimed at young children and their parents.

Given the available knowledge and recent trends, the parameters of the study were adjusted to concentrate on the policies, values and outcomes most broadly relevant to families with young children, especially preschoolers (from birth to age five inclusive). Nonetheless, policies and outcome data for school-aged children and adolescents are discussed in parts of this report, both where sufficient information is available and to illustrate current gaps in knowledge.

A Focus on All Young Children

In focusing on preschool children and their families, we attempt to address the issues that affect all families with children despite their many differences following from, for example, ethnicity, culture, geography, income level, employment status, family composition, biological endowment, and developmental capacity. In adopting this broad spectrum approach, we focus on policies, and combinations of policies, which have the maximum impact on young children in Canada and on the families in which the vast majority of children live.

This broad focus is not intended to diminish in any way the need for and value of policy aimed at specific groups that are disadvantaged when compared to Canadian children as a whole. Clearly, some children are at a disadvantage when compared with their peers because of their family’s income, their immigration status or lack thereof, their physical or intellectual capacity, the neighbourhood in which they live, and so forth.

Current policy focuses strongly on low-income children or on children with particular handicaps or disabilities. By targeting policy this closely, we are missing all kinds of children who do not quite qualify for support if their family income is a few dollars over the policy limit or if their disability is not one included in a supportive program. Children fall through the cracks in the system in many ways. Therefore, this study will document our conclusion that all children, and all families, need access to and can benefit from public resources and programs at different times in their lives.

All families require access to a welcoming environment to enable those needs to be met. If a wide range of broad-based policies and programs are accessible to all children and their parents, everyone benefits when specific needs arise. Further, when programs are widely available and easily accessible, families who are experiencing challenges will not be stigmatized when they access the specific programs they need.

The “Best Policy Mix for Children” Studies

The Canadian Policy Research Networks (CPRN) multi-year project, What Is the Best Policy Mix for Canada’s Children?, is comprised of several component studies. These focus on policy practices, policy thinking, public values, and the outcomes achieved by children in Canada and
number of comparable countries. Highlights are summarized below.

The discussion paper “Values and Preferences for the ‘Best Policy Mix’ for Canadian Children” triangulates public opinion polling data dating back 20 years with data gathered through choice deliberation exercises conducted by CPRN – in focus groups, at roundtable meetings, and with community groups across Canada. The polling questions that were examined related to social policy affecting families and children. The findings were compared with data collected at deliberative discussion groups in which public values about children and families were explored. This combination of data sources provides a previously unavailable and greater depth of understanding about the values Canadians hold about family issues: mothers’ labour force participation, child care, and the kinds of policy and workplace supports needed by families with children. The findings show that Canadians support a high societal investment in children – by governments, parents and employers.

The discussion paper “Building Better Outcomes for Canada’s Children” provides a synopsis of emerging trends in the measurement of child outcomes. It illustrates how different disciplines – economics, psychology, sociology, and the health sciences – all share common concerns about children and their well-being. By bridging the gaps across disciplines and sectors, this research provides a new language for supporting children so they develop their assets and reach their potential, instead of focussing only on deficits or failures. It also points to how developmental achievements in early childhood are foundations that are built upon throughout childhood and adolescence, which lead to success in adult life in the home and the workplace, and which serve as a foundation for enhancing civic life in Canadian communities – now and into the future.

Child outcomes are again a focus in the discussion paper “Moving Forward on Child and Family Policy: Governance and Accountability Issues.” Governments in Canada are instituting a “focus on results” and becoming more interested in measuring policy performance. Several jurisdictions are using indicators of child and family well-being or “outcomes” as part of this performance measurement process. Provinces are also increasing the transparency of the policy design and delivery process and some have changed their governance structures to integrate or coordinate services for children and families across government departments and ministries. Taken together, this enables all stakeholders to coordinate their actions around shared goals and objectives for children. This is especially important for voluntary sector agencies who deliver many programs and services at the community level. Efforts by government to manage interdependence – across governments and across sectors of society – suggest that Canada is inching closer to the creation of a broad-based societal strategy to support children and their families.

Comparative Family Policy: Eight Countries’ Stories examines the public values and policy strategies supporting families in Canada, the United States, and six European countries. This report highlights the dilemma that families everywhere face: parents need and want paid work to support their families, yet they also believe that young children suffer when their parents cannot spend needed time with them when they are young. Different countries respond with different policies, which either help or hinder families who are struggling to balance employment and family life by providing adequate income, nurture and care for their children. Canada is near the bottom of the list in providing supportive family policies to help parents with this challenge.

The study An International Comparison of Policies and Outcomes for Young Children adds a new dimension to international comparative research on family policy. This paper uses available microdata sets in an original way to compare values, policies and the outcomes achieved by children in Canada, the United States, the United Kingdom, Norway and the Netherlands. Data on child outcomes – measured by economic, health and behavioural indicators – show that a strong social safety net that provides a wide variety of policy
choices for families is associated with better outcomes for children. On all of the indicators measured, Norway leads the pack. An important element of success is a mix of policies that empower parents to choose options for employment, family leave, and nonparental child care to address the spectrum of needs they face throughout their life course and act in the best interests of their children and families at any given time.

Provincial differences in child outcomes across Canada are examined in the discussion paper “Outcomes for Young Children in Canada: Are There Provincial Differences?” While some differences do exist, neither outcome achievements nor gaps can be directly attributed to different approaches to provincial family policy. More refined data are needed before policy initiatives can be developed based on provincial differences in child outcomes. This may be a promising area of study for future research.

A detailed review of Canadian family policy is presented in CPRN’s study Comparative Family Policy: Six Provincial Stories. This research examines the family policy strategies that have been employed by the federal government and six Canadian provinces over time and provides a comparative inventory of policies across the provinces under review. It also illustrates the magnitude of the many and varied changes that are taking place in the ways that families with children are being helped or hindered by the policies governments establish.

The results of all of CPRN’s research on policies for young children and their families have been analyzed as a whole and were discussed at a national roundtable in June 1999. This analysis is the basis for our conclusions about a best policy mix for Canada’s young children, summarized in A Policy Blueprint for Canada’s Children published by CPRN in October 1999 and presented in detail in this study. The remainder of this report is organized as follows:

- Chapter 1 builds the case for why all citizens should care about the well-being of children. The values and preferences held by Canadians for child and family policy are also discussed. This provides some clear direction about the types of actions that would be endorsed by citizens who want to help parents address their varied and pressing needs.

- Chapter 2 presents highlights from some emerging research on child outcomes, discusses new approaches to measuring outcomes, and profiles the way some Canadian governments are measuring outcomes for children. It also provides an overview of trends in the design and implementation of family policy that are emerging in Canada today.

- Chapter 3 presents the key findings of CPRN’s international comparative research on both child outcomes and policies for children and families. It also illustrates the link between public values, government policies and the outcomes achieved by children.

- Chapter 4 presents a summary of findings from CPRN’s interprovincial comparative research on the evolution of Canadian policy for young children and their families. It describes the current state of affairs and explains why Canadian policies have developed as they have.

Chapter 5 solidifies all of these learnings into a proposal for thinking about the best mix of policies for Canada’s young children and their families. By examining the policy goals and instruments
that can be used by the public, private and voluntary sectors, it provides a policy blueprint for creating the enabling conditions that can lead to improved outcomes for Canada’s young children.

Notes

1 As noted, the term “developmental care” is used in this report to denote programs for young children that offer nurturing care, physical and intellectual stimulation, school readiness, and the prevention and early detection of problems. While the term “child care” as used by the policy community is assumed to include these components, recent research by the Better Child Care Education Foundation (1999, 5) found that the general public overwhelmingly associates the components of “developmental care” with early childhood education and kindergarten, while equating “child care” to non-developmental, custodial care (e.g., babysitting).

2 It is recognized that some children do not live in families, most visibly “street kids” but also “independent minors” who have gained legal status outside their families and “unaccompanied minors” who are most often immigrant children sent to Canada to study.
The Well-being of Canada’s Children

Not all children are born equal. The complex interplay of biology, the environment, and physical and neurological development affects the health and developmental outcomes that children achieve. This is the subject of ongoing research in the health sciences and influences policies that are targeted to meet the multiple special needs of children with a biological disadvantage. However, whatever their biological endowment, all children are also a product of their social environments. The social environments experienced by all young children is the focus of this report.

Children are “nested” in multiple environments: the child within the family, the family within the larger community of neighbourhoods and workplaces, the community as defined by different geographic and political boundaries, the public institutions that provide community infrastructure, and the governments that provide the resources and enabling policies that allow each of these nests to function well. Taken together, these nested environments form society as a whole. Each of these distinct spatial and political environments are also social nests in which children and, in turn, families are nurtured. Each successive nest contributes to the care, growth and development of the other nests enfolded within them, as shown in Figure 1-1. This notion of a societal nest contrasts with the way that children and families have traditionally been perceived as separate from the environments in which they live.

Figure 1-1
Children Nested in Multiple Environments

Research evidence on child outcomes demonstrates clear consequences for young children, which are associated with parents’ ability to provide for their families, financially and through sound parenting practices. The life circumstances of children depend on the life circumstances of their parents which, in turn, depend upon the environments they experience in communities and workplaces. Therefore, in order to fully provide for their children, parents need employers and communities to support family life. In addition, they need all orders of government to make investments in children and parents. In this way, the nests in which children live will, together, provide the enabling conditions needed to ensure child well-being and
healthy development. These enabling conditions, identified in our research, are adequate income, effective parenting, and supportive community environments.

1.1 The Children of 2000 and Their Future

Why should we be concerned about the well-being of Canada’s young children? There are two main reasons. First, we should be concerned if we value children in their own right and care about the kind of life they experience. Second, we should be concerned if we value what children will become as parents, workers, friends, and participants in their own communities. These two reasons for concern are interconnected. If children do not achieve their potential in childhood, and enjoy their childhood for what it is, there is far less chance that they will achieve and demonstrate their capabilities in adulthood. Therefore, they will neither fully experience the joys of childhood nor enjoy a high quality of life as adults in their homes, families, communities or workplaces.

Children As the Citizens of Today: Since 1989, Canada has been signatory to the United Nations Convention on the Rights of the Child, which states that every child has the right to live in an atmosphere of happiness, love and understanding. The 54 articles in the Convention concerning the treatment of children cover three broad areas of rights, which are intended to promote children’s best interests: (1) provision rights to goods, services and resources, (2) protection rights from neglect, abuse, exploitation and discrimination, and (3) participation rights giving children proper information to enable them to make decisions about and contribute to the circumstances of their everyday lives. Article 3 of the Convention states that those responsible for children must ensure that “the best interests of the child shall be a primary consideration” (Penn, 1999, 1).

The children born in the year 2000 will ideally enjoy the support and nurture of their parents and begin to develop their own unique talents. As toddlers, many will be placed in nonparental care environments where they will play and share with other children and begin to acquire the skills that will set the tone for learning in school and throughout their lives. In about 2006, these children will enter the public school system in the primary grades. They will begin to build upon their early strengths as they expand their capabilities and enjoy new experiences, learn independently and in groups, enjoy informal and organized play and social activities, and acquire new knowledge and skills. With a healthy start, the children of 2000 will continue to learn, grow and refine their identities as individuals and young citizens throughout the primary and secondary school years.

Children As the Citizens of Tomorrow: Another important reason to pay attention to today’s children is that they are the adults of the future. This interest is also shared by governments, employers and many citizens who benefit from robust national productivity and suffer when it is lacking.

The children born in the year 2000 will vote for the first time in 2018. They will enter the labour force in full-time jobs in about the year 2020. By then, Canada’s working population will be required to generate enough Gross Domestic Product to support the post-war baby boom generation, all of whom will be over the age of 65, collecting public and private pensions, and in need of public and private services. When the children of 2000 reach working age, they will also make choices about partners and about having children of their own. As they balance employment with their family responsibilities, they will also determine how much time they can commit to civic life by participating in neighbourhood programs and projects and contributing to the creation of a high quality community life.

The Best of Both Worlds: The challenges of creating a high quality life for Canadian citizens and of adequately organizing inter-generational equity will only be met if Canada has made sound
investments in the foundations of both its economic and social development. Although a healthy economy is essential for achieving these tasks, so is a healthy social environment. Vibrant social development requires healthy child development. It is through social development that children not only enjoy life but begin to experience their rights and responsibilities as citizens. Canada’s well-being as a country, as measured by the most reliable international standards, depends upon its capacity, and its willingness, to provide healthy social and natural environments as well as adequate health care, education, income and other resources to all of its citizens, including its most vulnerable and its youngest.

Thinking of children in this way raises the much debated issue of who is responsible for children. It is clear from research on public values and current public policy that Canadians believe parents are primarily responsible for their children. Yet, Canadians also maintain that parents require the support of governments, employers, public institutions, and fellow citizens to enable them to assume that responsibility and thereby act in the best interests of their children. Parents, politicians, and community and business leaders all need a deeper understanding of changing social circumstances, the pressures these place on families, the needs these pressures create, and the effects these factors have on children. In turn, policies to support children must be based on evidence rather than on speculation or outdated notions of family life.

Our Children’s Likely Future

In polling data and through public dialogue, Canadians are quick to agree on what they want for all children. They want them to be safe, secure, well fed, loved, and ready to learn at school and throughout their lives. Canadians would also agree that they want these children to grow up to be honest, hard-working citizens who have the capacity needed to master new technologies, thrive in a knowledge-based society, participate fully in community life, and nurture their own children and grandchildren.

In the year 2000, between 400,000 and 500,000 children will be born across Canada. What these children become depends on the kind of childhood they experience. Based on current research evidence, some of which is documented in Boxes 1-1 and 1-2, we can say it is likely that:

- A large majority of children will live in families with both parents in the labour force. When these children are born, however, less than three-quarters of their mothers will have been able to take paid leave in order to spend the first critical months caring for and bonding with the new baby. Regulated child care spaces are available to an average of only 7.5 percent of children under age 12 (whether one or both parents are employed), even when their parents are earning good incomes. Uncounted numbers of school-aged children will spend time on their own as latchkey children, due to a severe shortage of high quality before- and after-school care and holiday care for children in the primary grades.

- The parents of these children will work longer hours and many young couples will earn less than their own parents did 20 years ago. Income polarization is increasing between a core group of older, highly skilled workers with good benefits and a group of mostly younger workers with low skills and precarious jobs. The real annual earnings of young people aged 18 to 24, before taxes and transfers, have declined by 30 percent in the last 15 years. This is likely to have devastating effects on those young families with children born in the year 2000.

- The “time crunch” parents experience will be severe as they struggle to balance employment with their family responsibilities. Despite the joys and rewards, having young children is reported as the main reason for a worsened relationship in the employment-family balance: 40 percent of employed mothers and 25 percent of employed fathers experience high levels of family-employment conflict, and 50 percent of parents report difficulty in managing their family time.
Box 1-1
Changing Employment Patterns in Canada

1. The proportion of single-earner husband-wife families has dropped 36 percent in three decades, from 59 percent in 1967 to 23 percent in 1996. Similarly, among all families, the proportion of dual-earner husband-wife families has risen 27 percent in three decades, from 33 percent in 1967 to 60 percent in 1996.

2. The labour force participation of women aged 25 to 54 rose from 52 percent in 1976 to 75 percent in 1994 (“labour force participation” is defined as people who are employed or actively looking for work). Among all women in families whose youngest child was aged 3 to 5 years, 47 percent were employed in 1981, compared to 61 percent in 1996.

3. Between 1991 and 1995, the “casualization” of the labour force has seen contract, temporary and seasonal employment increase from 5 to 12 percent. More people are self-employed. Most of these workers do not have any form of social protection, benefits or economic security. This trend has been driven to some extent by both the growth of services and the growing use of “contracting out” by large companies and governments.

4. Canadians work more hours per year when compared to most Europeans, although less than Americans. An index developed to compare the actual annual hours of employment per person (in part-time and full-time employment) illustrates these differences. In 1997, with the United States indexed at 100, other countries compare as follows: 90.39 for Canada, 88.30 for the United Kingdom, 83.11 for France, 80.32 for Switzerland, 79.86 for Germany, 78.99 for West Germany, 78.94 for Sweden, and 71.16 for Norway.

5. In Canada, the rate of “involuntary part-time employment” (part-time workers who would rather be in full-time jobs) tripled between 1976 and 1995, from 12 to 36 percent of all part-time workers.

6. Almost half of Canadians (46 percent) today are experiencing a moderate to high level of stress as a result of trying to balance employment with their family lives versus 27 percent in 1989. Finding this balance is difficult or very difficult for 28 percent of Canadians versus 20 percent just 10 years ago. The number of days of paid work missed due to the stress and difficulty experienced in trying to balance the employment-family interface has also increased in the past decade. The overall costs of this lost productivity, however, are difficult to measure.

7. The average net income of households in Canada in 1996 was $37,000 – a drop of about $2,400 (6 percent) since 1989. A more dramatic change has been experienced by young people aged 18 to 24 whose real annual earnings (before taxes and transfers) has declined by 30 percent in the last 15 years.

8. In 1970, lone mothers made up 24 percent of the bottom 10 percent of Canadian earners. By 1995, lone mothers made up 40 percent of the bottom 10 percent of Canadian earners.

Source: See Appendix A for a detailed list of data sources.

- If current trends continue, many children born in the year 2000 are likely to experience economic vulnerability. Between 1989 and 1996, the total number of poor children in Canada (living in families whose total income before taxes falls below Statistics Canada’s low income cut-off) increased by 60 percent or 564,000 children. The number of poor children living in two-parent families increased by 43 percent, while those living in lone-parent families increased by 92 percent.

- Children in poor and low-income families will be disadvantaged in multiple ways, such as being at risk from living in neighbourhoods that are unsafe, that have fewer resources and supports, and that have lower levels of community or social cohesion. Yet, these disadvantages can be partially offset by strengths such as adequate income and effective parenting. With a combination of good employer policies and supportive neighbourhood programs, parents can spend the quality time with their children that leads to better outcomes.
**Box 1-2**  
The Experience of Children in Today’s Families

1. Based on Statistics Canada’s definition of a “census family” (a currently married or common law couple with or without never-married children or a single parent with never-married children in the same dwelling), 80 percent of Canadians live in families.

2. Of the 8.1 million census families in Canada, 5.3 million of them have children living at home.

3. Divorce and separation rates have tripled in the past 20 years and the majority of children under 12 remain with their mothers after separation.

4. Among 10- to 11-year-old children in 1994, 76 percent were living in intact families, 9 percent were in step-families or blended families, and 16 percent were in lone-parent families.

5. Between 1989 and 1996, the number of children living in very expensive rental housing increased by 91 percent.

6. Research shows that good parenting matters for children of all ages and the effects of responsive parenting on positive social behaviour increases as children age. Responsive parenting practices generally decrease as children age, however, at the time when they have the most beneficial effects on children’s behaviour.

7. Some research shows that a greater proportion of poor children experience developmental challenges. Developmental delays are experienced by 25 percent of children in low-income families (annual household income under $30,000) versus 16 percent in middle-income families ($30,000 to $60,000), and 9 percent in upper income families (over $60,000). Household income also appears to be a determinant of family functioning when the proportion of families experiencing difficulties is calculated. Of children living in households considered dysfunctional, 15 percent are lower income, 8 percent are middle income and 5 percent are higher income households.

8. When population data are considered, the actual number of children experiencing challenges is much greater for higher income groups. Using data from the National Longitudinal Survey of Children and Youth, researchers have calculated the frequency of impaired social relationships and the presence of one or more behavioural problems in children aged 4 to 11, as well as the number of children aged 6 to 11 who have repeated a grade – across four income levels (see Table 1-1). When these numbers are aggregated, it can be seen that among children who experience difficulties, 70 percent are living in families with incomes above Statistics Canada’s low-income cut-off (LICO) while only 30 percent are living in families with incomes below the LICO and, therefore, are classified as poor or very poor.

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1 Some policymakers note that discussions of adequate family or household income are not complete without consideration of the fact that there are trade-offs to be made between the public provision of adequate income benefits, whether provided as social assistance or as child benefits, and employment disincentives, including marginal tax rates. While it is important to note that debate continues over employment incentives and disincentives, it is beyond the scope of this report to suggest specific levels of household income that could be considered adequate to meet family needs. This is more appropriately left to be determined through democratic public debate among a wide range of stakeholders.

Source: See Appendix A for a detailed list of data sources.

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- While most of the children born in the year 2000 will probably live with both their parents throughout childhood, many others are likely to experience life in a variety of different kinds of families as a result of their parents’ changing relationships. Some are apt to live in a lone-parent family for some years, and from an early age. These children are also likely to live in a blended or step-family at some point during their childhood.

  It is not only children at risk of experiencing poverty and economic difficulties who face challenges. The stress experienced by families today is having ramifications on children at all income levels, as shown in Table 1-1.
Behind this range of statistical observations is a sociological fact. Canadian families and the children within them are never static, either in their situations or their needs. Marital status, employment status, and the presence of dependent children “can all change from one year to the next – and often do” (Norris and Webber, 1999, 17). Some families climb out of poverty or into more comfortable lives as parents find employment, pool resources with other adults, or gain access to new social benefits. Others suddenly become dramatically more vulnerable because of job losses or family breakdown. When a new baby is added to the already heavy load of employment and family responsibilities, many parents suddenly find themselves struggling to stretch the hours of the day and avoid destructive stress.

These dynamics are not the result of individual and family choices alone. The policies of employers in the public, private and voluntary sectors also have a significant impact on how families cope. Personnel policies can ignore families, leaving them to struggle on their own, or they can help families meet their changing and varied needs. Community groups, through their policies, can provide services such as home visiting and parent-toddler programs that support families in their parenting goals. Government policies, whether addressed directly to families or affecting them indirectly through employment and tax policy, for example, also have a major impact on how families cope when they are threatened by change – and on whether families truly flourish when times are good.

In the recent past, the support for families provided by government included universal education and health care, as well as some limited recognition of the costs of raising children through family

<table>
<thead>
<tr>
<th>Challenges Faced by All Children</th>
</tr>
</thead>
</table>

**Table 1-1**

<table>
<thead>
<tr>
<th>Challenges children face</th>
<th>Very poor</th>
<th>Poor</th>
<th>Not poor, low income</th>
<th>All others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children aged 4-11 with one or more emotional or behavioural problems</td>
<td>122,357</td>
<td>60,858</td>
<td>63,508</td>
<td>367,430</td>
<td>614,153</td>
</tr>
<tr>
<td>Children aged 4-11 with impaired social relationships</td>
<td>27,404</td>
<td>8,288</td>
<td>10,317</td>
<td>35,003</td>
<td>81,012</td>
</tr>
<tr>
<td>Children aged 6-11 who have repeated a grade at school</td>
<td>34,060</td>
<td>12,622</td>
<td>16,649</td>
<td>60,620</td>
<td>123,951</td>
</tr>
<tr>
<td>Children aged 6-11 with one or more of the above challenges</td>
<td>115,818</td>
<td>54,414</td>
<td>58,818</td>
<td>336,269</td>
<td>565,319</td>
</tr>
<tr>
<td>Proportion of children aged 6-11 with one or more challenges (percent)</td>
<td>20.5</td>
<td>9.6</td>
<td>10.4</td>
<td>59.5</td>
<td>100.0</td>
</tr>
</tbody>
</table>

1 The family income categories used in the National Longitudinal Survey of Children and Youth (NLSCY) and shown in this table are calculated based on a four-person household in large urban areas with populations over 500,000. In the NLSCY, the category shown here as “not poor, low income” is defined by Statistics Canada as *not poor* whereas the category shown here as “all others” is defined by Statistics Canada as *well-off*. 

Source: Statistics Canada (1999d).
allowances and tax deductions. However, the major investment of government was in a safety net for the poorest families, distributed through social assistance and through help with basic needs or supports such as child care subsidies. The family was primarily responsible for child development unless there was evidence that a child was neglected or abused. In that event, the state took control from the family, and often took the child as well.

This reflects an approach to government-family interaction that made targeting low-income families and at-risk children the focus of family policy for many years. Now, however, there is more discussion about the risks of developmental delays and about fostering the transition of parents from social assistance to employment. These topics have arisen because we know more about how critical child development is to human, social and economic development. They have also come to the fore because of the specific forces for change experienced in Canada in recent decades.

1.2 The Forces for Change

Social and economic changes (highlighted in Boxes 1-1 and 1-2) and the policy environments that affect them, can be clustered into three broad categories. These are restructured employment patterns, restructured families, and changing approaches to policy.

**Restructured Employment Patterns:** Income security is no longer generated by employment. Even two-income families may not earn enough to raise a family. There has been a significant polarization of the labour force into high and low earners, which has made it difficult for many workers to avoid or escape from poverty even by working full-time. The average annual income of households in Canada has been stagnant for much of the 1990s (in constant 1997 dollars) and even declined slightly between 1996 and 1997 (Statistics Canada, 1998c). Precarious forms of self-employment are also increasing (Hughes, 1999). Moreover, irregular working hours and uncertainty about employment are creating levels of stress that are harming the health of many adults and interfering with their parenting capacities.

Another dimension of the restructuring of the labour force is the dramatic increase in female labour force participation, including that of mothers of young children. One benefit has been the opportunity for women to experience the economic autonomy and personal satisfaction associated with paid employment. However, this adds to parental stress related to the need for new mothers to recover from childbirth and the desire of parents to spend the time they need to bond with and nurture their young children. This new employment pattern also creates pressing needs for nonparental child care and for new ways of reconciling two major and often competing responsibilities – family and employment.

Our studies, and a wide range of other research, find that many employees are demanding better and more family-friendly policies from employers. Some can vote with their feet, seeking and taking new jobs where their burdens will be recognized and they will be better supported. Others, however, do not have this option and need more support from employers and governments in the form of regulations, legislation and programs.

**Restructured Families:** Social and demographic changes such as divorce, remarriage, lone parenthood, and immigration have created a diversity of family structures not previously seen in Canada. Communities and employers, as well as governments, have been called on to develop programs recognizing that the two-parent family with a parent who stays at home for an extended period of time is much less common than in the past.

Parents are now living in sometimes happy, sometimes stressful situations of blended families, lone parenthood, and intact families (sometimes with same sex parents). The needs of such diverse families, at various points in each family’s life course, vary tremendously and therefore can seem widely divergent. The fact that family needs change
over time helps explain the apparent contradictions or ambivalence that people express in their preferences for different kinds of policy support.

**Changing Approaches to Policy:** New social, demographic and economic realities have resulted in an alteration of policy approaches in the last few decades. Three significant changes are happening simultaneously, producing results that are not always coherent.

First, disappointment with the performance of post-war social policy has led governments to rethink their delivery of social assistance and other benefits. Employability and encouraging the move from welfare to employment has become a primary goal in many jurisdictions within and outside of Canada, thereby bringing adjustments to existing policy practices. The design of such programs has effects on whether or not families have income security as well as the tools to become truly self-sufficient (educational upgrading, child care services, low-wage supplements). These programs also have an effect on whether or not families have access to adequate income, through employment and with the assistance of government as needed.

Second, new information on the links between health and child development points to the benefits of nurture and the need for adequate services for infants and young children. Some research clearly highlights the risks associated with not paying attention to family needs and describes the likely impacts of inaction on further family poverty and compromised child development. For example, McCain and Mustard (1999) illustrate the gradient between low and high income and the impact of that on social prosperity and healthy child development. They and others argue convincingly that new knowledge has shown an investment in social capital is not only essential but requires an urgent policy response.

Third, Canadians have changed their views on government, as Ekos Research Associates found in its 1999 study *Rethinking Government*. This research shows that Canadians still have a “desire for active, humanistic government.” Thus, while there is a decline in the belief that the use of passive income support is “a way of addressing social problems,” government is nonetheless identified by Canadians as “the prime agent for achieving societal goals” (1999, v and iii).

**Challenges Families Face**

It is clear that the economy is no longer the same as it was, communities are no longer the same as they once were, families no longer have precisely the same needs as they had in the past, and the reasons underlying children’s varied needs and capabilities are becoming more widely understood. Economic, social and political restructuring processes are placing enormous pressures on Canadian parents and their children. These combine to create challenges for families related to:

- Lack of societal recognition and government support for the high costs of raising children, in terms of both monetary costs and costs to parents’ careers
- Limited access to high quality nonparental developmental child care for both employed and stay-at-home parents
- A time crunch for parents trying to balance employment with family life as they earn income and provide care and nurture in their families and communities
- Minimal access to family-friendly workplaces
- Economic insecurity arising from non-standard and fluctuating employment patterns as well as from the multiplication of low-end, low-paid and often part-time jobs
- Child and family poverty, and
- Social and physical isolation and related challenges, experienced to a disproportionate degree by lone-parent families, immigrant families and Aboriginal families.
Parents now require more and different kinds of support to enable them to meet the needs of their children. Past policies, which focussed primarily on meeting the needs of workers who were temporarily unemployed or who were considered unemployable, are no longer meeting family needs. This has generated new policy approaches, internationally and in Canada, to address the many issues families face. New employment patterns, different forms of family composition, an aging population, and new knowledge about child development have combined to place a sustainable economic and social future for Canada at the forefront of policy debates.

There is now a wide array of models for supporting families with children that share considerable common ground and offer many examples of best practices. However, there is no single approach to policy that qualifies as “one size fits all” and could serve as a model for Canada as a whole. Even when governments and other policymakers announce the same goals, they may attempt to achieve these through radically different means. Often these differences respond more to differing notions of what is an appropriate level of intervention to support family needs, rather than to any difference in the fiscal constraints facing these policymakers.

There is, however, a generally increased understanding that meeting the needs of families and fostering the health and well-being of children is a shared responsibility of parents, employers, communities, public institutions and governments. Both critical thinking and imagination are required of all these stakeholders if policy innovation is to respond adequately to the varied needs of all parents to help them realize the full potential of their children. The question that remains is how to create a shared vision that will lead to a societal strategy and joint action on behalf of Canada’s young children.

1.3 A Societal Strategy for Children

A societal strategy for children consists of several parts. A number of components can be built in tandem at the outset and some are already under development. For example, Canadians must first set goals for the outcomes we want our children to achieve. Yet, there is no direct link from goals to outcomes. Rather, a number of policies must mix together to foster *enabling conditions*, which, as a complete package, can lead to better outcomes for children.

We conclude from our analysis of the research that the numerous factors associated with child outcomes cluster into three broad categories, termed *enabling conditions*, to: (1) generate adequate family income, (2) nurture effective parenting practices, and (3) mobilize communities to provide supportive environments for children and their families.

How do we create and strengthen enabling conditions? This complex challenge is sketched in Figure 1-2.

As shown in the diagram, *goals for children* and *enabling conditions* are part of a feedback loop, which can contribute to improved child outcomes. Other parts of a societal strategy for children play into this loop. These include policy goals and instruments as well as mechanisms for regularly measuring, monitoring and reporting child outcomes, including the research needed to support these efforts. In turn, widely reported evidence-based findings about child outcomes (and the status of their contributing factors) can stimulate new corrective actions to improve child outcomes on an ongoing basis.

This complex challenge is by no means easily addressed. It requires joint action by a variety of persons and institutions outside the family, as well support for the family so it can do its best. All of the stakeholders shown in the diagram can make a difference in the lives of children. In order to coordinate actions among them, we propose a policy blueprint for long-term action. As described in Chapter 5, this blueprint is designed to show how actions taken in one quarter can reinforce and build upon the actions taken in another. Before we present this analysis, however, we provide additional
background information for understanding other parts of this complex issue that can lead Canadians to a societal strategy for children. Here we will simply and briefly introduce the notion of child outcomes, shown at the centre of Figure 1-2, as well as the enabling conditions that are fostered by a good policy mix.

Goals for Children and Child Outcomes

The National Children’s Agenda is engaged in a public consultation process designed to set a vision and goals for Canadian children. The goals will also be based, in part, on new research about child outcomes. The National Longitudinal Survey of Children and Youth and other research on the early years is already tracking child outcomes and identifying the many factors associated with them. Although these consultation and research initiatives are being developed simultaneously, they can build on each other’s learning and strengths.

They can reinforce each other in setting goals for children, measuring child outcomes, and analyzing the factors that contribute to the outcomes achieved. Together, they can be used to determine what progress is being made and guide researchers in their study of different child outcomes and the factors that contribute to them. Consultation on goal setting and consistent reporting of results, arising from the findings of evidence-based outcome research, can also help policymakers set priorities for short-term goals and long-term strategies to support Canadian children and their families.

Some of CPRN’s research studies make significant contributions to these initiatives. For example, Tipper and Avard (1999) have identified a great deal of convergence across the different disciplines that are exploring child development. As described more fully in Chapter 2, there is agreement that “good” child outcomes are associated with: (1) the achievement of a spectrum of stage salient developmental tasks, meaning the markers or milestones

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**Figure 1-2**

Components of a Societal Strategy for Children

- Adequate income
- Effective parenting
- Supportive communities
- Stakeholders: Families, Neighbourhoods, Communities, Employers, Public institutions, Governments
- Policy goals and instruments used in the public, private and voluntary sectors
- Stakeholders: Families, Neighbourhoods, Communities, Employers, Public institutions, Governments
- Goals for children
- Improved child outcomes
- Outcome definition, measurement and reporting

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that most children could be expected to achieve by specific ages according to their inherent biological endowments, (2) the attainment of human capital, meaning the acquisition of knowledge and skills needed to make a productive contribution to the economy, and (3) the demonstration of social capacity, meaning the presence of empathy for others that reflects concern for family, friends, community members, society as whole, and the larger environment.

Research on child outcomes is moving from a reliance on negative outcome indicators (e.g., infant mortality, low birth weight, teen suicide) towards the identification of a set of positive outcome goals for children that emphasize developmental potential and achievement (e.g., normal birth weight, social competence, skill and knowledge acquisition, having a basic sense of trust in the world). Research is also shifting from a focus on mere survival to a focus on well-being. Finally, it is placing less of an emphasis on the preparation for adulthood, or what children will become as contributing members of society, and greater emphasis on the determinants of health and well-being during childhood, a clear recognition of the inherent value of children as people.

As we will see in Chapter 2, the insight about measuring positive outcomes is not yet predominant. Nonetheless, a successful system of outcome measurement that is closely tied to the policy process can serve four key functions. First, it can strengthen the policy design, resource allocation, policy delivery, and policy evaluation processes. Second, it can help those working in partnership across governments, sectors and community agencies focus on key goals for children and take joint action to achieve desired child outcomes. Third, it can help address citizen demands for greater government accountability for policy outcomes. Finally, it can be one means of strengthening Canada’s social union by achieving consistency on pan-Canadian principles of child development.

**Enabling Conditions and Child Outcomes**

New information about child outcomes provides a snapshot of how children are doing in terms of physical health and development, behaviour, social relationships, achievement at school, and so forth. What these data cannot say is why. Many researchers are, therefore, involved in analyzing the numerous factors or “inputs” that have a strong statistical association with specific child outcomes. These factors include family income, family composition, parenting practices, neighbourhood composition, and many other variables.

Also important is the assessment of family and community assets and deficits. For example, information is needed about the access parents and caregivers have to formal and informal supports, as well as data on whether they use the supports that are available to them. Data are also needed about the availability of specialized services for disabled children, Aboriginal families, immigrant families, and so forth.

In Canada, the National Longitudinal Survey of Children and Youth (NLSCY) is providing a rich resource for this work, which will allow us to track the same children and their families over time. Researchers are beginning to learn which factors change over time, and how. This is leading to a greater understanding of how specific factors contribute to better – or worse – outcomes for Canadian children and their families.

Studies also find that many factors intersect to affect child outcomes. Box 1-3 provides a very brief summary of some research on child outcomes and the factors contributing to them. For ease of understanding, these factors have been clustered according to what we term the three enabling conditions that contribute to good child outcomes: adequate income, effective parenting, and supportive community environments. More examples of emerging research in this area are provided in Chapter 2.

**Creating a Societal Strategy for Children**

As part of a societal strategy for children, we need to translate the values that Canadians hold about children into actions that will meet the varied needs of all of Canada’s children and their
To create a societal strategy for children, it will be necessary to address Canada’s social deficit. Despite the social trends and changes in family life that have occurred in the past 30 years, the recent restructur- ing of the Canadian welfare state has thus far been more responsive to the changing global economy. Indeed, economic goals have become the “drivers” of many actions and even of the way we think about the world. One effect of this primarily economic response is that citizens are encouraged to turn first to non-state mechanisms of support such as family, community and voluntary organizations before turning to the government for assistance (Baker, 1997, 11).

There is no doubt that the concerted effort of these stakeholders, and many others, is needed to help Canadian families surmount the pressures and meet the new needs they face as a result of this extended period of social and economic upheaval. Yet the mobilization of such support also requires the type of leadership, coordination and policy clout that only governments – backed by the legitimacy of democracy – can bring to bear. Accordingly, issues of reinvestment are increasingly on the agenda.

For much of this century, “the family” has been treated as the basic unit of economic, physical and emotional support in society. When the government did get involved in family life, at least in North America, it often has not done so on the basis of informed policy about how people actually live or why they live this way. Instead, programs and policies were “often based on preconceived notions about the preferred structure of families, the roles of women in families, the responsibilities of parents toward their children, and the reason behind the need for social assistance” (Baker, 1994, 2).

In order to mobilize support and assistance from a full range of stakeholders, societal action needs to be based on research evidence about policy tools and their effectiveness and the democratic values held by citizens. Both aspects are critical. Different types of policy instruments, and their effectiveness, are discussed in Chapters 3 and 4 of this report. As part of the second dimension of policy development, CPRN research on the values and preferences

**Box 1-3**

<table>
<thead>
<tr>
<th>Enabling Conditions and Some Factors Affecting Child Outcomes</th>
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</thead>
</table>
| **Adequate Income:** Adequate family income is needed to meet the physical needs of children for food, shelter and clothing. Beyond these basic needs, however, adequate income is needed to promote the social development of children by including them in community life, nurturing their talents, and ensuring they can participate with their peers in healthy and stimulating activities. Recent research using data from the NLSCY examined 27 elements of child development and found that “in 80 per cent of the variables examined, the risks of negative child outcomes and the likelihood of poor living conditions were noticeably higher for children living in families with incomes below $30,000. This was also true for 50 per cent of the variables examined for children living in families with incomes below $40,000” (Ross and Roberts, 1999, x-ix).

**Effective Parenting:** Parents struggle to schedule quality time with their children, concerned that without parental nurturing, children may develop behavioural problems or fall behind in school. Many parents squeeze in more time with their children by giving up on other activities related to employment, in the community, with their partners and friends, and for themselves. Research based on the NLSCY examined the influences of parental involvement (times per week the parent engages the child in talking, reading, playing, laughing, praising, and doing special things) on behaviour and preschool vocabulary, controlling for socio-economic variables such as family income and parental education. Results indicate that children who experience higher levels of parental involvement have fewer behavioural disorders and exhibit more positive social behaviour. The effect of parental involvement on these outcomes is greater than the effect of socio-economic status and family structure (Cook and Willms, 1998).

**Supportive Community Environments:** Neighbourhood affluence, which is associated with greater neighbourhood safety, is beneficial to children. Children living in unsafe neighbourhoods are at greater risk of achieving lower scores on tests of both cognitive and behavioural competence. Neighbourhood safety is enhanced where communities share values and common expectations. Factors that improve neighbourhood quality for all children include the availability and accessibility of recreational spaces, parent-toddler programs, quality child care, and after-school programs (Kohen, 1998).
held by Canadians about child and family policy provides some clear direction about the types of government actions that would be endorsed by citizens who want to help families with young children address their varied and pressing needs.

### 1.4 Values and Preferences for Child and Family Policies

Policy that leads to sustainable social and economic development, while keeping children at the centre of inquiry, can be enhanced by understanding popular assumptions and values held about children, the labour market participation of parents, and the relationship between families and the state. Reliable access to this kind of information is limited, however, by the kinds of data collected on values.

Generally, public opinion polling provides a “fuzzy” snapshot of values over time. The limitations of the data relate to: (1) non-standardized questions, which may be embedded with bias and posed to different audiences by different agents in different ways, (2) irregular collection periods, and (3) the receipt of “top of the mind” responses, which do not reveal the assumptions or values underlying the opinions that are expressed. Nonetheless, these data provide the only information available about how Canadian opinions have changed over extended periods of time.

A second approach to understanding social values involves exploring citizens’ opinions in depth, to raise underlying assumptions to the surface through facilitated “deliberative dialogue” on specific issues. This approach involves making trade-offs among difficult policy choices and has been used by CPRN since 1995 to develop a clearer picture, albeit still a snapshot, of Canadian values on certain themes. This ongoing research into participatory democracy has been furthered by CPRN through its theme-based public dialogue project The Society We Want.

This combination of different data sources points to a number of components that should inform the policy mix developed as part of a societal strategy for children. For example, as reported by Michalski (1999, vi), Canadians have consistently stated that:

- Children are a high priority for public spending
- Healthy child development in the early years requires a sustained high investment by all stakeholders, and
- Health care and education are essentials that should continue to be the backbone of Canada’s universal social programs.

Table 1-2 presents a summary analysis of polling results on issues related to family life. It highlights issues about which a clear majority of Canadians agree (70 percent of the population or higher). As a counterpoint, it also lists related issues about which Canadians have mixed feelings, either because they are personally torn about how best to balance their family lives with employment or because they are uncertain about what would be the best course of societal action.

As the table shows, a majority of Canadians understand a great deal about the realities of women’s labour force participation. They know that women form a significant portion of the labour force and that women’s participation in paid employment is a fact of life in Canadian society. They also realize that most women prefer to be employed, even when they have young children. Ironically, they also believe that women should not be employed when their children are young.

Some of these mixed feelings likely arise from parents’ longing to spend time with their babies and young children, bonding with them, caring for them, and nurturing their early development. Others likely follow from the current, very real difficulty parents have balancing their family and employment responsibilities.

A majority of Canadians also understand that jobs are essential for both fighting poverty and supporting Canadian families. They realize that government
funding cuts have hurt those living in poverty and know that job insecurity has made raising a family more of a challenge. Canadians also maintain that employers should be doing more to help families balance employment with their family responsibilities.

Based on the polling data reviewed, a majority of Canadians support increased public funding, including higher taxes, for services earmarked to support children. They would also prefer a policy mix that includes a combination of child care services.

### Table 1-2
**Summary Analysis of Opinion Poll Results**

<table>
<thead>
<tr>
<th>Shared opinions (70 percent +)</th>
<th>Conflicting and conflicted opinions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Women’s labour force participation</strong></td>
<td><strong>Women’s labour force participation</strong></td>
</tr>
<tr>
<td>• most women prefer to work outside the home, at least part-time, even when they have young children&lt;br&gt;• women are an increasingly large, permanent and necessary part of the labour force&lt;br&gt;• women are as competent as men, yet are routinely disadvantaged in the labour force&lt;br&gt;• women ideally should not work outside the home when they have young children</td>
<td>• a majority agree that, for the benefit of children, women should not be in the labour force when children are young&lt;br&gt;• yet, majorities also agree that many women need to work for pay and that their paid work is a necessary part of the labour force&lt;br&gt;• most women also prefer to be in the labour force, at least part-time, even when their children are young</td>
</tr>
<tr>
<td><strong>Child care</strong></td>
<td><strong>Child care</strong></td>
</tr>
<tr>
<td>• a child care system needs to be in place for everyone who needs such services, with the costs to be shared across the public and private sectors and by parents</td>
<td>• Canadians are uncertain about whether public support for child care should be universal or targeted to those in poverty&lt;br&gt;• Canadians are uncertain about who should provide child care&lt;br&gt;• Canadians are uncertain about whether or not parents should be “subsidized more directly” to enable them to remain home to raise their children, often expressed as a double standard about who deserves support and who does not</td>
</tr>
<tr>
<td><strong>Economic security</strong></td>
<td><strong>Economic security</strong></td>
</tr>
<tr>
<td>• jobs are critical for fighting poverty and supporting families&lt;br&gt;• government funding cuts in recent years have hurt those living in poverty&lt;br&gt;• the loss of job security has meant raising children has become more of a challenge&lt;br&gt;• employers should be doing more to help families balance employment with family life</td>
<td>• Canadians are deeply divided about addressing child poverty with income supports to parents (e.g., for fear of creating welfare dependency, they stress the need for “strict criteria”)</td>
</tr>
<tr>
<td><strong>Policy preferences</strong></td>
<td><strong>Policy preferences</strong></td>
</tr>
<tr>
<td>• a combination of child care and parental leave is needed to help balance employment with family life&lt;br&gt;• increased public funding, including higher taxes, is endorsed for services targeted to support children</td>
<td>• Canadians are uncertain about which level of government (federal, provincial or municipal) should assume a leadership role in developing child centred policies&lt;br&gt;• there is no “ground swell” of support for extended maternity benefits</td>
</tr>
</tbody>
</table>

Source: Adapted from Michalski (1999, 51-53).
and parental leave to enable parents to strike a better balance between their employment and family lives and mediate the stresses caused by their current inability to do so (Michalski, 1999). Recent data also show that over two-thirds of Canadians believe that “daycare is good for children” (Fine, 1999).

As these examples show, many apparent inconsistencies in general values and preferences emerged from the polling data. This may be partly explained by the fact that respondents may have been focused on the particular needs they were facing in their families at the time they were surveyed.

**Probing the Depths**

A significant drawback of polling results is that data can report what people think, off the top of their heads, but cannot explain why they value or prefer the things they do. In order to reveal a deeper understanding of why Canadians prefer some policy choices over others to support children and families, and to explore some of the mixed feelings shown in polls, we must turn to an analysis of the results of choice deliberation exercises. These results provide a deeper understanding of the rationale underlying public opinion. Deliberative discussions conducted by CPRN within the context of The Society We Want public dialogue project revealed a great deal of consensus about the pressures faced by families. For example, as reported by Michalski (1999, 53), a majority of discussion group participants believe that:

- Social problems are “systemic” and shaped by family transformation, an insecure labour market, and social exclusion of the poor and disadvantaged

- The capacities of individuals and families are threatened by external factors across all income groups and work situations (e.g., job changes, employment opportunities, and social policies)

- The capacities of individuals and families are also threatened by internal factors (e.g., lack of knowledge about parenting practices, family “inadequacy,” parental “irresponsibility,” conflicting expectations, and generational conflicts), and

- Solutions to social problems will not come quickly through technical fixes or by means of social policy alone.

As dialogue in the deliberative discussion groups moved from general values and preferences to explicit policy choices, shared opinions and general agreement about the nature of pressures faced by families did not always translate into endorsement of the same policy options. However, in most cases, the sustained dialogue within discussion groups led to personal reflection, reconsideration of initial positions, a willingness to compromise and, ultimately, agreement on a number of key policy areas affecting families.

Table 1-3 presents a summary analysis of the policy preferences that emerged from these deliberative discussions. These preferences include a set of “essential requirements” to support families and two distinct policy mixes, which would direct policy support in different ways. The approach to policy support developed in Policy Mix 1 is designed to meet the varied needs of different kinds of families. In contrast, the approach developed in Policy Mix 2 is to target policy support only to some families with children.

A high degree of consistency emerged within Policy Mix 1, which generally sought to support a wide range of families in their choices and efforts to reconcile employment and family. However, a number of contradictions emerged within Policy Mix 2. For example, participants who preferred Policy Mix 2 wanted to spend public funds supporting stay-at-home parents in two-parent families while, conversely, targeting lone parents for employability programs that would require them to participate in the labour force.

Areas of divergence in the policy preferences expressed in discussion groups reflect different levels of concern about the broader repercussions particular policies might produce. For example,
participants generally viewed workplace measures as “potentially effective options” to help families balance employment and family life. This confirmed opinion poll results, which found that 89 percent of those surveyed “wanted employers to increase their efforts to provide a better balance between work and family responsibilities” (Michalski, 1999, 54). This perception fails to acknowledge that governments play three roles in this process. First, they are large employers and, as such, are in a position to establish precedents as good employers with respect to family-friendly employment arrangements. Second, governments are in a position to set standards, both in law and through regulations, which would establish minimum acceptable employment standards that

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Table 1-3
Summary Analysis of Policy Preferences

<table>
<thead>
<tr>
<th>Expressed policy preferences</th>
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<tbody>
<tr>
<td><strong>Essential Requirements</strong></td>
</tr>
<tr>
<td>• Make children a high priority for spending public funds</td>
</tr>
<tr>
<td>• Maintain a sustained high level of investment in healthy child development in the early years</td>
</tr>
<tr>
<td>• Keep health care and education as the backbone of universal programs</td>
</tr>
<tr>
<td>• Provide widely available programs or supports, free of charge, aimed at improving parents’ knowledge and skills</td>
</tr>
<tr>
<td>• Involve governments, public institutions, employers, communities and families in addressing systemic problems</td>
</tr>
</tbody>
</table>

**Policy Mix 1: An Approach to Meeting the Varied Needs of Different Kinds of Families**

• Help families achieve secure and continuing employment
• Promote both government leadership and private sector action to stimulate jobs, ensure job security, and offer options to help families manage the early childhood years
• Provide enhanced parental leaves
• Provide a more comprehensive and accessible system of child care, with costs shared across the public and private sectors
• Provide relatively generous income supports for unemployed or low-income parents to ensure that their children do not grow up in poverty
• Do not use public funds to subsidize families who prefer or are able to have one parent stay at home with their children

**Policy Mix 2: An Approach to Targeting Support to Some Families with Children**

• Provide benefits to families who prefer or are able to have one parent stay at home with their children, especially for the parents of young children
• Provide employability programs and targeted income supports for the unemployed, including lone mothers of young children, to force them to enter the labour market
• Provide a more comprehensive and accessible system of child care through a combination of public and private sector support, with preferences for a “shared cost” or “sliding scale” payment system rather than a publicly funded universal program
• Possibly add child care support or enhanced income supports for employed lone parents

Source: Adapted from Michalski (1999, 53-56).
could support families with children. Third, governments can provide incentives for other policy-makers.

Some policy preferences expressed in discussion groups seem to be closely associated with the life circumstances and personal experiences of group participants. Those who preferred Policy Mix 2 were more likely to be women in two-parent families who were not currently employed. While proclaiming the need for choice, proponents of this mix expressed little empathy or understanding for women who are employed when their children are young. In fact, they sometimes judged these choices as severely misguided.

In contrast, both working women in dual-earner families and employed lone mothers were less than enthusiastic about the option of spending public funds on stay-at-home mothers with young children. They expressed concern about the loss of both income and social connection that might result from women removing themselves from the labour market. Further, because the “time out with kids” option tended to be seen as a choice that undermined the option of giving more generous income supports to poor families, lone mothers receiving social assistance rarely identified this element in their preferred “best mix” (Michalski, 1999, 55).

Another example of this type of division in policy preferences relates to child care funding. Discussion groups “often quickly included child care in their best mixes. Participants who were more favourably disposed to this option included employed parents (either couples or lone parents) who already depended on some type of formal child care arrangement. Others supporting such policy mixes were employed parents who had to patch together paid and unpaid care, often because they were not able to afford formal child care” (Michalski, 1999, 54).

Some of the divergence expressed in policy preferences appears to reflect a difference in core values related to social justice and the equitable distribution of resources. Those who preferred Policy Mix 1 associated income support with such values and “were more likely to want enriched income supplements for those unable to work, pointing to the failures of the economy rather than personal failings as the roots of poverty. They were also more inclined to feel that income supports should be in the hands of parents, and that trust and dignity were also at issue in decisions about how to eradicate child poverty” (Michalski, 1999, 56).

In some cases, this perspective may well have been influenced by the life experience of participants. For example, lone mothers on social assistance were inclined to view income supports as an issue of fairness. In these and earlier group discussions (see Peters, Wason, and Grasham, 1994), lone mothers “defended their need for income supports as a basic ‘mother’s allowance’ that allowed them to provide for very young children. They anticipated entering the labour force in the future, while experiencing considerable frustration that the general public should continue to view them and their situations in such a negative light” (Michalski, 1999, 56).

Discussion group participants were uncertain about how to address child poverty without encouraging “dependency.” Although many groups included an income supplement for needy families in their preferred policy mix, “they were adamant that there should be strict criteria in place. Groups debated which families should receive income support, under what circumstances, and how supports should be delivered” (Michalski, 1999, 56).

Participants who supported Policy Mix 2 often revealed a double standard about who they considered to be deserving of income supports. They doubted that social assistance recipients “exercised sufficient effort and self-reliance” yet, at the same time, expressed sympathy for the pressures faced by employed parents. They believed that income allowances should be available to enable employed mothers to take “time out with their kids,” without incurring a loss in earnings. Conversely, they also often believed that unemployed mothers on social assistance should not be entitled to take “time out...
with their kids” but, rather, should be “compelled to work.” Lone parents were often targeted in terms of their need to “get a job” (Michalski, 1999, 56).

This is one example of public opinion which is not grounded in fact and which cannot be the sole basis of public policy. Discussion group participants widely believed that lone mothers were long-term welfare recipients. This belief is held despite empirical data to the contrary, which indicate that, for most recipients, social assistance represents a temporary and often transitional supplement in response to major life changes (Michalski, 1999, 56).

The issue of child care provides another example of how public opinion, while important, cannot serve as the sole basis for public policy since it does not necessarily reflect a deep or fully informed understanding of the issues at hand. Recent research in which nearly two dozen studies examining the long-term effects of nonparental child care were reviewed concludes that high quality child care provides a number of benefits with respect to healthy child development, particularly on various indicators of educational performance and in the realm of peer relationships (Doherty, 1996; Lipps and Yiptong-Avila, 1999). Other research evidence suggests that the economic benefits of providing high quality licensed child care clearly outweigh the costs of such an allocation of public funds (Cleveland and Krashinsky, 1998).

While values data reflect less support for a tax-funded universal program of child care, participants were “much more likely to support shared cost systems or proposals that included sliding scale payment systems” (Michalski, 1999, 54-55). This dichotomy between public values and evidence-based research shows why broad consultation with parents, experts and other citizens is needed to design and implement a best mix of policies for children and families that will form part of a societal strategy for children.

**Distillation of the Research Findings**

Box 1-4 presents a distillation of the key research findings about Canadian values and preferences for the “best policy mix” for children and their families. These findings will be consulted again as Chapter 5 constructs the policy recommendations that follow from this study.

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**Box 1-4**

**Recap of Values and Preferences**

- Canadians value children and are willing to make them a spending priority. Most are also willing to accept a tax increase earmarked for children.

- They view job insecurity as a “systemic” problem for families and, consequently, endorse action at many levels: by governments, public institutions, employers, communities, and families.

- Programs or supports aimed at improving parents’ knowledge and skills are favoured for families and should be widely available and provided free of charge.

- An accessible child care system receives strong support as long as governments recover part of the costs from families that can afford to pay.

- Differences in policy preferences arise when considering the best means to deliver income support to poor families. There is also widely divergent opinion about the issue of providing income supports for parents who might prefer to take time out of the labour force while their children are young.

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As stated in the introduction to this report, CPRN’s Best Policy Mix for Children project was intended to help lay the foundation for a societal strategy to support children and their parents. In order to create a shared vision for helping all young children achieve their potential, new understandings and innovative thinking are required about the types of interdependent and integrated policies and programs that are needed to improve child well-being. Also needed is a shared language for discussions about child outcomes and how they relate to both the nested environments in which children live and grow and to the enabling conditions for well-being that are created in these environments. The next chapter of this report lays the foundation needed to develop a shared language and build a common understanding of child outcomes.

Note

1 Original sources for these data include Duxbury, Higgins, and Johnson (1999), Campaign 2000 (1998), MacBride-King and Bachmann (1999), OECD (1998), and the Standing Senate Committee on Social Affairs, Science and Technology (1999).
As Canadians have tried to adapt social programs to accommodate restructured employment patterns and changing family structures, they have begun to place a strong emphasis on improving the well-being of children. This has led to the study of child outcomes as an integral part of these new ways of thinking about policies that support children and their families.

In general terms, child outcomes refer to measures of physical, emotional and behavioural achievements or failures, relative to an age-specific peer group. As noted in Chapter 1, numerous factors have a strong statistical association with specific child outcomes. These include family income, family composition, parenting practices, neighbourhood composition, and so forth. These inputs combine to create the three enabling conditions that can lead to improved child outcomes: adequate income, effective parenting and supportive community environments.

Some of the factors that contribute to desirable child outcomes can be altered by the use of specific policy instruments. For other outcomes, the link to policy is much more indirect and mediated by a variety of other social and economic factors. Further complexity arises due to the fact that, in addition to governments, many other policymakers in the nested environments in which children live also make, or fail to make, policies that affect families with young children.

Nonetheless, the result of such policies, be they direct or indirect, can be assessed by tracking child outcomes over time. Thus the measurement, tracking and reporting of child outcomes can play a crucial role in creating and strengthening a societal strategy for children.

For example, the National Children’s Agenda vision document and its companion report on measuring child well-being and monitoring progress, released in May 1999, states that a key requirement for building a national children’s agenda is better information. The importance of measuring and reporting child outcomes is described as follows:

Both within and outside governments, there is growing consensus on the need for ongoing, reliable and timely information on children’s well-being and development to guide our actions on their behalf. Regular measuring and reporting of how children are doing in key areas of their lives, and key influences on their well-being, builds our awareness, understanding and commitment. It tells us whether Canada’s boys and girls are developing on track. It offers “warning signals” about areas where we still need to focus our efforts. In so doing, it provides a powerful tool to inform and improve policymaking to ensure our actions will be as focused and effective as possible.

Regular monitoring of children’s well-being will allow us to track our progress in achieving our shared goals for Canadian children, and is particularly important at a time when Canada, like other
countries, is in the midst of extraordinary technological, social and economic change. Many of the influences on children – in their families, neighbourhoods and communities – are changing. For example, there have been significant shifts in family structure and work patterns. We need to track these changes, and the changes in children’s outcomes, to better respond to children’s needs (Federal-Provincial-Territorial Council on Social Policy Renewal, 1999b, 2).

Once broad-based agreement on goals for children is reached, the ongoing measurement and reporting of outcome indicators will allow Canadians to see the progress being made to improve the lives of young children and their families. Beyond this fundamental reason for evaluating child outcomes, the measurement of outcome indicators can also serve several related ends. By integrating the analysis of child outcomes into the policy process, outcome measurement can:

- Strengthen the policy design, resource allocation, policy delivery, and policy evaluation processes of all policymakers
- Help those working in partnership across governments, sectors and community agencies focus on key goals for children and take joint action to achieve desired child outcomes
- Help address citizens’ demands for greater government accountability for policy outcomes, and
- Be one means of strengthening Canada’s social union by achieving consistency on pan-Canadian principles of child development.

Therefore, this chapter provides a brief introduction to the study of child outcomes in order to build a common understanding of them through the use of a shared language. It provides a synopsis of some emerging research on child outcomes and discusses several new approaches to outcome measurement. It clarifies how governments are expanding their use of performance accountability for child and family policy to include the measurement of child outcomes. Finally, it highlights some trends in the government policy design and implementation process.

2.1 A Synopsis of Some Research on Child Outcomes

CPRN’s research reports about outcomes for children involved:

- Scanning existing research for evidence about policy and program effectiveness
- Rethinking how child outcomes are examined, both to create a holistic way of looking at outcomes across developmental age ranges, and to integrate the perspectives of different, and sometimes competing, disciplines
- Exploring the use of child outcomes to measure accountability for child and family policy
- Examining microdata sets to compare child outcomes in five countries, and
- Examining microdata sets to compare child outcomes across Canadian provinces.

Our scan of the research evidence found that the literature on policies and programs for children is generally descriptive or prescriptive, but rarely evaluative. Few interventions have been examined for their effects on child outcomes. The evaluative research that does exist generally examines the effectiveness of “professional interventions” in achieving program goals, most often at the level of individual program interventions. This approach largely ignores “community-based interventions” as objects of study, particularly provincial child health initiatives and federal programs such as the Canada Prenatal Nutrition Program and the Community Action Program for Children (CAP-C).

There is little evidence about the effects existing programs have on outcomes for children and youth.
There is virtually no research evidence about the potential benefits of adapting the existing social infrastructure versus creating new targeted programs. Similarly, there is a dearth of evaluative research about community development initiatives intended to increase social cohesion by building cooperation, trust and community empowerment. There is minimal research into the specific effects on children of programs that include clusters of interventions. Studies that examine the effects of clustered programs tend to do so as a whole and do not separate the effects of individual components. Further, there is little comparative program-to-program research.

In short, evaluations of which interventions are best for children, either singularly or in combination, are lacking. Most research in this area focuses on single program interventions for children from birth to age six. Very little research examines the effects of programs aimed at older children or youth. A different stream of research focusses on income supports provided for families with children. However, this research tends to focus primarily on the design of specific programs intended to alleviate poverty or to integrate unemployed parents into the workforce. Again, it is not clear from the literature which programs or combination of programs provide the best outcomes for families with children (O’Connor, 1999).

Despite these disappointing shortcomings, there are some promising findings about child outcomes, which have been widely reported. For example, programs aimed at reducing the incidence of low birth weights have enjoyed success. They appear to require less investment in terms of time and concentrated contact than do remedial programs intended to enhance the subsequent development of low birth weight babies.

In addition, the provision of high quality developmental child care for preschoolers is known to contribute to the social, emotional and cognitive development of children which, in turn, leads to improved success in school and in later working life. Thus some researchers argue that providing high quality child care would improve child well-being more than cash transfers or tax reductions for families would. The provision of high quality child care would also remove a significant hurdle for parents who wish to be employed, eliminate the ill effects of low quality, unregulated care to which many parents must currently resort, and promote enhanced school readiness in children.

Numerous training and education programs exist to help social assistance recipients re-enter the labour force. Results have been mixed and appear to vary by target group, with better educated recipients often finding work more readily. Most Canadian programs have not been subject to evaluation. However, one Canadian demonstration project, the Self-Sufficiency Project, provided up to three years of wage supplements to lone parents who secured a job after being on welfare for at least a year. After 30 months, program results show that the use of earned income supplements makes it possible to reduce employment disincentives while increasing income and decreasing poverty. In the process, the effects of new transfer dollars were multiplied and, in some cases, the total amount of transfers were reduced (Villeneuve, 1999, 26).

Finally, the Canadian context, with its generous health and education infrastructure, is not always analogous to the situation in the United States upon which much existing research is based. Canadian research has traditionally been under-represented, but this situation is beginning to change. An overview of some emerging Canadian research on child outcomes follows.

Emerging Research on Child Outcomes

A relatively new resource for measuring outcomes for children, and ultimately for assessing the impact of government policies over time, is the National Longitudinal Survey of Children and Youth (NLSCY). In general terms, this Canadian study is premised on evidence that the quality of early childhood experiences will have long-term effects on, for example, individual performance in
the education system, on behaviour in adult life, on the risks of developing chronic diseases in adulthood, and so forth. It is also widely believed that creating and maintaining high levels of coping, competence and well-being will be essential to sustaining a healthy civil society in the face of rapidly changing technology and shifting demographic patterns related to employment and family life. Through tools like the NLSCY, the effective monitoring of outcomes on a long-term basis will demonstrate to what extent children and their families are responding well or poorly to change.

Every two years, the NLSCY will gather data on the health, well-being and life circumstances of the same group of Canadian children, which can be analyzed at national and provincial levels. This provides the opportunity to use indicators of child well-being and healthy development to create a coordinated response at the community, regional, provincial and national levels (Keating and Mustard, 1996, 20). The analysis of national findings will, on an ongoing basis, permit the comparison of child outcomes in Canada with those achieved by other countries. In addition, the analysis of data at the provincial level will allow all jurisdictions to learn from others shown to be handling policy challenges especially well.

The results of the NLSCY and its attendant research will build knowledge about the developmental changes experienced by children who are studied over long periods of time. This will illuminate how children are affected by the opportunities and challenges presented by changing social and family environments, within families and across Canada. In the fullness of time, the NLSCY will enable researchers to learn more about the protective factors that promote healthy child development and modify risk.

In turn, this will provide policymakers within and outside government with evidence-based information that can be used in the creation of effective policies and strategies to help young people and their families. At present, only the government of British Columbia makes extensive use of analyzed NLSCY data for measuring outcomes related to child and family policy. It also intends to incorporate this information into its annual business planning process (Thompson, 1999b, 17-20). This demonstrates the potential of the research emerging from this database to be used by other Canadian policymakers to measure outcomes for children and youth and to monitor progress in improving child well-being. The NLSCY database could also provide useful information for some of the measurement and monitoring actions proposed as part of the National Children’s Agenda.

Given that it is still in its infancy, the NLSCY has already become a rich resource for the Canadian research community. The early findings suggest that, once further cycles of data become available, specific policy implications will begin to crystallize, supported by sound research evidence. Some highlights from this body of ongoing research that were introduced in Chapter 1 are profiled below, selected to demonstrate the range of policy relevant subjects related to child outcomes that are being studied. These highlights show that adequate income, parenting skills and neighbourhood composition all contribute to improved child outcomes and, together, can enhance child well-being in important ways. One example of a holistic community-based intervention program for disadvantaged families is also provided to demonstrate that research apart from the NLSCY is also beginning to emerge on program “mixes” designed to improve child and family well-being.

**Data from the NLSCY on Adequate Income and Child Outcomes**

- Recent research using data from the NLSCY examined 27 elements of child development and found that “in 80 per cent of the variables examined, the risks of negative child outcomes and the likelihood of poor living conditions were noticeably higher for children living in families with incomes below $30,000. This was also true for 50 per cent of the variables examined for children living in families with incomes below $40,000.”
Accordingly, the level of income families need to maximize their children’s chances of full development “goes well beyond the amount needed for the basic provision of food, clothing and shelter.” The researchers contend that the level at which children experience the “poverty of opportunity” must be set “within the range of $30,000 to $40,000 for a family of four” to optimize child development and ensure a successful transition into adulthood. They also note that income security needs to be accompanied by broader efforts to increase family self-sufficiency through “educational and training opportunities, housing assistance, child care, workplace assistance to people with disabilities, as well as by promoting job flexibility and family-friendly workplaces” (Ross and Roberts, 1999, x-ix).

- A number of children are likely to be assessed as developmentally “delayed” in terms of motor and social development, school readiness or academic achievement. The children at risk are often those in lone-parent families, at the lower end of the income scale, whose parents’ educational levels are low, and whose parents fare lowest in terms of parenting skills. However, there is a problem sorting out cause and effect since family income is a marker for other variables and causation could run in both directions. Parents in low-income families are more likely to have less education (which is associated with lack of success in the job market), to show symptoms of depression, and to adopt less competent parenting practices, all of which indirectly affect children. Thus policies that simply seek to create incentives for a high level of labour force attachment will not enhance or diminish outcomes for children “in any important manner.” Instead, increasing the income of very poor families or those who receive welfare transfers could have the strongest positive effects on child outcomes (Lefebvre and Merrigan, 1998).

Data from the NLSCY on Parenting Skills and Child Outcomes

- Responsibilities related to employment and family are often difficult to manage. Mothers especially know their careers may suffer if they take leave from paid work without any guarantee they can return to their job or if they cannot put in overtime at the office. Working parents struggle to schedule quality time with their children, concerned that without parental nurturing, children may develop behavioural problems or fall behind in school. Many parents try to balance the two by squeezing in more time with their kids and giving up on other activities in the community, with their partners and friends, and for themselves.

Research based on the NLSCY examined the influences of parental involvement (times per week the parent engages the child in talking, reading, playing, laughing, praising, and doing special things) on behaviour and preschool vocabulary, controlling for socio-economic variables such as family income and parental education. Results indicate that children who experience higher levels of parental involvement have fewer behavioural disorders and exhibit more pro-social or positive behaviour. The effect of parental involvement on these outcomes is greater than the effect of socio-economic status and family structure. In terms of “quality time,” regular reading to a child during the toddler and preschool years has even stronger effects on behaviour than overall parental involvement. Regular reading to children is also significantly related to the child’s preschool vocabulary skills.

The authors suggest that one goal of balancing employment and family is to encourage optimal child development. Part-time work, flex-time and job sharing are not viable options for many parents and likely reflect their inability to sacrifice income for family time. The development of thoughtful and supportive public policies, such as parental leave and family leave that enable the caring role of the family, would help recognize the need to maintain a family income while maximizing child development. In addition, good quality, accessible day care centres, with low teacher-child ratios, that focus on reading activities would also promote better child development since they can provide excellent supplements to parental care (Cook and Willms, 1998).
The monetary costs of chronic involvement in bullying and victimization are high. These children generate lifelong costs because they are involved in multiple systems such as mental health, juvenile justice, special education and social services. Victims experience significantly more problems than bullies and more intensive intervention may be required for them. Social policy and interventions must be aimed at direct influences (externalizing and internalizing behaviours) and indirect influences (family demographics and family functioning). Schools are an obvious place to identify problems and intervene in the lives of bullies, victims and their families. Resources also need to be allocated to high risk families to address the problems associated with low income, unemployment and poor parenting practices (Craig, Peters, and Konarski, 1998).

Contrary to popular belief, the prevalence of problems among children aged 2 to 11 living in post-divorce custody arrangements (32.8 percent) is only 4.8 percent higher than for children living with both parents (28.0 percent). Further, every year that passes following separation is associated with a 10.0 percent decrease in likelihood that the child will experience problems. The increased prevalence of problems that do occur appears in all categories except positive social behaviour, suggesting that children may have greater inducement to perform cooperative activities in the absence of a second parent. However, no differences appear based on the child’s living arrangement, be it with a lone father, a lone mother or in a shared custody arrangement. An important conclusion is that children are resilient to change, both inside and outside their families. Further, behavioural problems are associated with a complicated set of processes than cannot be attributed to custody arrangements alone.

Policy implications are that efforts must be directed to children of divorce as a whole, rather than targeted to lone-mother or lone-father families. Intervention through schools and the health care system could be geared to supporting all children in coping with changes occurring inside and outside their families (e.g., through counselling, peer support and educational initiatives aimed at teachers, health professionals and others who have close contact with children). Other programs could focus on the development of healthy parenting skills for all parents, not only for those experiencing family breakdown. The provision of financial support in cases where family income drops due to family breakdown would also be important (Haddad, 1998).

Young children who participate in early childhood care and education programs achieve better learning outcomes than children who do not attend such programs. Two groups of children in kindergarten were compared: (1) those who, as preschoolers, had attended an early childhood program, a day care centre, or received care from a paid worker such as a nanny or a relative other than the child’s parents and (2) those who had stayed at home with a parent (in 90 percent of cases, their mother). Different academic performance outcomes held true regardless of other factors such as household income and the education level of the child’s mother.

About 40 percent of the children who attended an early childhood care program at the age of three and four were judged by their teachers two years later to be at the top of their kindergarten class in communication skills, compared with 25 percent of the children who did not participate in such programs. Similarly, about 38 percent of the children who were in early childhood care were at the top of their class in learning skills, compared with 24 percent of the children who did not attend a program. As well, a higher proportion of children who attended early childhood programs were able to write a simple sentence, compare numbers, and understand simple concepts of time (e.g., today, summer, bedtime). These data from the first two cycles of the NLSCY suggest that early childhood care and education improves the academic performance of children in kindergarten (Lipps and Yiptong-Avila, 1999).
Data from the NLSCY on Neighbourhood Composition and Child Outcomes

- Neighbourhood affluence, which is associated with greater neighbourhood safety, is beneficial to young children. Children living in unsafe neighbourhoods are at greater risk of having lower scores for both cognitive and behavioural competence. Further, lone-mother families are more likely to live in neighbourhoods characterized as unsafe. Finally, children living in low-income families and whose mothers have low levels of education have lower levels of the competence needed for school success. Thus lone-mother status is also associated with lower cognitive and behavioural competence scores “through the effects of neighbourhood safety.” The researcher concludes that it is not lone-parent status that matters but, rather, where those families live.

Children living in neighbourhoods characterized as having low levels of social cohesion are less likely to be ready for school. Circumstances that contribute to lower levels of school readiness in children need to be addressed early in children’s lives, at both the family and neighbourhood level. Children from all socio-economic backgrounds need equal access to nurturing, stimulating, supportive, caring and safe environments. Neighbourhood safety is enhanced where communities share values and common expectations. Improving the conditions of children who are the most disadvantaged does not negatively affect more affluent children. Factors that improve neighbourhood quality for all children include the availability and accessibility of recreational spaces, parent-toddler programs, quality child care, and after-school programs (Kohen, 1998).

- There is a clear statistical link between child health and low income, family structure, and other socio-economic characteristics. For example, problems with neighbourhood cohesion were positively correlated with negative child health outcomes. However, the researchers contend “it is simply too difficult to infer at present what is the actual effect of specific variables on child outcomes and how such evidence can be translated into policy prescriptions. This is as true for cash-transfer programs as for in-kind services.” The NLSCY holds promising opportunities for drawing stronger conclusions in this regard in the future. It will also permit the observation of children who move in and out of different family structures, which will provide a much more direct look at the health changes associated with family transitions (Dooley and Curtis, 1998).

- The NLSCY has permitted an analysis of whether the neighbourhoods in which children live affect their development and social adjustment. The strongest predictors of child behavioural problems are lone parent family status, family socio-economic status, and the proportion of lone parents in the neighbourhood. The strong association between lone-parent status and child behavioural problems should be considered when developing and evaluating programs aimed at preventing child behaviour problems. However, the relatively low predictive value of socio-economic variables as a whole suggests that programs aimed strictly at addressing socio-economic deficits may have limited impact on the behavioural problems of children (Boyle and Lipman, 1998).

- Complementing data emerging from the NLSCY, census data show that poor people are becoming more concentrated in poor neighbourhoods. In 1995, 40 percent of poor people in Montreal lived in poor neighbourhoods, compared with 30 percent in Toronto and 14 percent in Vancouver. However, Toronto’s concentration of poverty has risen at an alarming rate, from only 15 percent in 1980 to 30 percent in 1995. Thus a large and increasing number of poor people are living in impoverished neighbourhoods, which multiplies the risks facing young children (Hatfield, 1997, Table 1).

New Research on Holistic, Community-based Interventions

- A holistic approach to intervention that proactively addresses multiple factors can successfully
improve the life chances of children and their families while being cost-effective. A McMaster University study was undertaken on the provision of a holistic program of community level support for low-income disadvantaged populations. It demonstrates the effectiveness of combining employment programs, case management interventions by nurses, antidepressant therapy when indicated, and quality subsidized child care and recreation for lone parents on social assistance and their children.

A blend of provider-initiated versus self-directed interventions, in a system of national health insurance, was tested in a five-arm randomized trial. A full package of provider-initiated interventions was compared with any single provider-initiated service or self-directed care. Comprehensive care was found to be effective for all types of lone parents, and no more expensive to provide than self-directed use of services in a national system of health insurance. However, the provision of comprehensive care resulted in 15 percent greater savings than seen in other “diluted” single approaches to care. These savings were achieved by participants exiting from social assistance in the previous 12 months.

The researchers conclude that comprehensive care is both effective and less expensive to society as a whole. Other policy learnings include the fact that at least one-third of mothers who had not been offered employment retraining elected to attend at least one session when it was offered. According to parents, the provision of a full mix of services was more acceptable and more effective in promoting economic adjustment. This illustrates the importance of having some other service proactively available even when employment retraining does not engage the parents at a given point in time.

Front-end investment in a menu of services tailored to meet a sole support parent’s multiple needs results in nearly immediate savings in reduced reliance on social assistance. In contrast, underserving sole support parents or allowing them to direct their own services, while apparently equally effective in meeting parents’ needs, is considerably more expensive since it results in a sustained reliance on social assistance by a greater number of parents two years later.

A 15 percent difference in non-use of social assistance for mothers with three or more children translates into a savings of $20,000 for income maintenance, rent subsidy, subsidized child care, medications and dental care. If 15 of every 100 mothers leave social assistance, $300,000 will be saved in two years. These savings are in excess of the cost of providing comprehensive care to 100 mothers and all of their children. This produces positive outcomes for parents and children and represents significant savings to taxpayers. Investing holistically in the present saves now and in the future (abstracted from Browne et al., 1998a).

These examples represent only a small fragment of the ongoing Canadian research into child outcomes. However, they clearly illustrate that child outcomes are linked to multiple factors ranging from parental income and employment to safe, supportive and nurturing environments in families, schools and neighbourhoods. The implication is that policies designed to improve child outcomes by addressing any one of these factors cannot be sacrificed to support policies geared to improve child outcomes through another route.

Another recent study, which has been the subject of much discussion, uses NLSCY data and other research to arrive at similar conclusions. Commissioned by the Ontario government, Reversing the Real Brain Drain: The Early Years Study Final Report cites evidence that shows good nutrition, nurturing and responsive caregiving in the first years of life – coupled with high quality child development programs in the early years – improve outcomes for all children’s learning, behaviour and physical and mental health throughout life. The study also recognizes the need for a more integrated framework for early child development and parenting support that engages all orders of government,
school boards, communities and the private sector to work in partnership to manage the complex interplay of the emerging new economy, changing social environments, and the impact of change on young children (McCain and Mustard, 1999).

Similar findings are the building blocks for some of the conclusions reached during CPRN’s Best Policy Mix for Children project. All of the research results reported above clearly indicate that a best mix of policies for young children is still required to address conditions in families, workplaces and neighbourhoods and to promote broad-based responses from all stakeholders as part of a societal strategy for children.

2.2 New Approaches to Measuring Child Outcomes

Concurrent with the emergence of new research tools such as the NLSCY is a shift of emphasis in how child outcomes are reported. As society seeks to identify ways to improve child well-being, moving beyond discussions of negative behaviours and deficits towards consideration of a broad set of characteristics desired for children will significantly alter discussions of children and families (Moore et al., 1997, 17). We refer to these desirable characteristics as “positive” child outcomes.

The developmental path of each child is unique and influenced by a broad range of social, economic, biological and environmental factors. Few people would argue that the continued prosperity and cohesion of Canada depends on the ability of today’s children to meet their developmental potential, today and as future contributing members of society. Until recently, however, most research into both child development and human capital has been explored within strict disciplinary boundaries, primarily within the health sciences, psychology, sociology and economics.

CPRN’s report “Building Better Outcomes for Canada’s Children” attempts to bridge those divides by reframing the discussion of child outcomes and illustrating how multidisciplinary work would enhance this important area of research. In different disciplines that are exploring child development, “good” child outcomes are associated with:

- the achievement of a spectrum of stage salient developmental tasks, meaning the markers or milestones that most children could be expected to achieve by specific ages according to their inherent biological endowments

- the attainment of human capital, meaning the acquisition of knowledge and skills needed to make a productive contribution to the economy, and

- the demonstration of social capacity, meaning the presence of empathy for others that reflects concern for family, friends, community members, society as whole, and the larger environment.

Although the factors associated with desirable child outcomes appear quite distinct, there are many points of convergence in the details. For example, economists working from a human capital perspective as well as researchers who study stage salient development recognize the importance of school achievement, cognition, and language as key positive outcome domains. Each discipline acknowledges the need to examine the developmental trajectory of the whole child from birth onward to develop a more accurate picture of the range of supports that are relevant to the outcomes achieved. Both groups of researchers are also interested in the internal and external factors that help or hinder the attainment of positive outcomes and agree that early childhood is the time when the building blocks for future development are set in place.

Multidisciplinary work is critical to sharing knowledge that may hold important keys for researchers in other disciplines. According to sociologists, the development of close and enduring relationships in early childhood is a critical precursor to the acquisition of social capacity. However, it is possible that a child’s ability to build trust and security in relationships, which is important to their
subsequent social well-being, may also provide the glue that helps people assemble the components of human capital needed for their subsequent economic well-being. This potential link also illustrates how the achievement of specific outcomes for children (e.g., the development of close and enduring relationships in early childhood), is tied into longer term outcomes for communities and for society as a whole (e.g., making a productive contribution to the economy).

Another example of overlapping research that has not been fully explored is of particular relevance to the business community. There is a great deal of literature on the importance of “readiness to learn” to a child’s future cognitive, social and emotional development. Children demonstrating readiness to learn possess general knowledge and language skills and can communicate, cooperate, think critically, feel confident, engage with others, and feel understood. Of note, these are the same traits identified as “employability skills” by the Conference Board of Canada and which are deemed to be critical skills required of the Canadian workforce.\(^{1}\)

Given this example, the business community in Canada should be deeply interested in the childhood roots that inhibit or promote the acquisition of employability skills later in life. In addition, developmental researchers may gain insight into the strengths of various predictive or protective factors throughout the lifespan by incorporating an understanding of employability skills into their own field of study. Concerted efforts in working together across sectors and disciplines will clearly contribute to better outcomes for Canadian children which, in turn, will lead to a healthier, more productive and more cohesive society in the years to come. Such efforts by all stakeholders who form the nested environments in which children grow will also aid in the quest to ensure that Canada achieves long-term sustainable economic and social development.

**Reframing Child Outcomes**

Much is known about children’s problems, weaknesses and developmental failures, but very little is understood about children’s strengths, potential and opportunities. However, research into child development is undergoing three critical shifts. First, it is moving from a reliance on negative outcomes such as infant mortality, injury and teen suicide towards the identification of a set of positive outcome goals that emphasize developmental potential and achievement. Second, it is shifting from a focus on survival to an approach that focuses on well-being. Finally, it is placing less of an emphasis on the preparation for adulthood or what children will become as contributing members of society and more of an emphasis on the determinants of health and well-being during childhood, a clear recognition of the inherent value of children as people.

The shift towards the use of positive outcomes can be understood as a search for specific markers of successful development for children of differing ages and with different biological endowments. This resonates with parents and other members of society who want to understand and encourage the achievements of children. This fundamental shift in reframing child outcomes allows strategic policy targets to be set within and outside government that are based on the determinants of health and wellness, rather than on illness. It also adopts a more holistic “population health” approach.

The National Forum on Health identified the need to “shift the emphasis of health policy perspectives from one of emphasizing health care to the broader concepts of population health [and] to transform population-based data into information that is useful for managing the health care system” (Black, 1997, 64). This approach seeks to further the development of all children, rather than only those thought to be vulnerable or at risk. It does not, however, divert attention from those children who are most vulnerable to failing to reach their developmental potential due to differences in their biological endowments or other risk factors they experience. Instead, it enables the search for solutions to expand beyond the boundaries of current research.

A set of five positive outcomes domains, which can be applied across three broad stages of child
development, is proposed from a synthesis of the literature and discussions held at a national workshop of experts in child development and child policy hosted by CPRN in November 1998. It was concluded that outcome indicators must be broad or generic enough to be relevant across different disciplines, yet specific enough to lead to good evidence-based research and effective policymaking. The five positive outcome domains selected were: (1) optimal physical well-being, (2) learning readiness, (3) secure attachments and identity, (4) social engagement and competence, and (5) smart risk taking.

While most of the proposed outcome domains need little explanation, the final category, smart risk taking, requires some elaboration. While numerous indicators capture the negative consequences of unhealthy behaviour, there is a dearth of information about health enhancing behaviour and the factors contributing to it. There is some indication, however, that learning how to take reasonable or “smart” risks in childhood and adolescence may be related to future success in the labour market and adult life in general, where risk taking is often rewarded. For example, curiosity in toddlers may build the confidence that leads to creative problem solving and the pursuit of adventurous activities in childhood, translates into responsible social behaviour in teens, and ultimately appears as workplace innovation and positive parenting in adults. Thus smart risk taking is an example of a potentially critical but unexplored area of developmental research that would clearly benefit from a multidisciplinary approach.

The three stages of child development proposed by CPRN were infancy and early childhood, childhood, and adolescence (Tipper and Avard, 1999, 6-11). If the first category is split into “infancy” and “early childhood,” this corresponds to the developmental stages proposed for the National Children’s Agenda (NCA) for the measurement of child outcomes. The outcomes proposed in the NCA documents include a mixture of positive outcome measures and traditional measures of developmental deficits or failures (Federal-Provincial-Territorial Council on Social Policy Renewal, 1999b, 11-13). Both forms of measurement have value for identifying how well children are doing. However, to illustrate the less familiar use of positive outcome indicators, Table 2-1 presents a range of positive indicators proposed by CPRN for five outcome domains across three stages of child development.

Another advantage of using positive outcomes to monitor child and family policy is that it avoids rewarding people or systems for reducing negative indicators in ways that may not be in the long-term best interests of the population. For instance, if a policy outcome goal is the “reduction of the number of persons receiving social assistance,” there are many ways this could be achieved that would not increase the long-term earning potential and economic security of families. However, if the goal is not merely the reduction of social assistance cases but is framed positively as “moving parents along the self-sufficiency continuum” (e.g., from social assistance and unemployment, through sporadic low-wage employment, towards stable employment with good wages and benefits), policy options for providing high quality developmental child care, skill enhancement or employment training might hold more allure (Chynoweth and Dyer, 1991, 21).

This shift to thinking about outcomes in positive terms, and the increasing capacity to measure desired outcomes through instruments such as the NLSCY, will alter the policy discourse on Canadian children and families dramatically. In addition, as greater attention is directed towards accountability for the performance of child and family policy, these new approaches to measuring child outcomes are poised to play an important supporting role in the development of a societal strategy for children (adapted from Thompson, 1999b, 21).

2.3 Government Performance Accountability and Child Outcome Measurement

As noted in the introduction to this chapter, the measurement, tracking and reporting of child
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<th>Table 2-1</th>
<th>Proposed Positive Outcome Indicators for Children</th>
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<td>Infancy and early childhood</td>
<td>Childhood</td>
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<td><strong>Physical well-being</strong></td>
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<td>• Healthy maternity</td>
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<td>• Normal weight, &gt; 2,500 grams</td>
<td>• Free from preventable injuries</td>
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<td><strong>Learning readiness</strong></td>
<td><strong>Learning readiness</strong></td>
</tr>
<tr>
<td>• Physical well-being and motor development</td>
<td>• Develop and consolidate math and reading skills</td>
</tr>
<tr>
<td>• Emotional health</td>
<td>• Make health enhancing choices</td>
</tr>
<tr>
<td>• Positive approach to new experiences</td>
<td>• Show greater independence</td>
</tr>
<tr>
<td>• Social knowledge/competence</td>
<td>• Form relationships with peers</td>
</tr>
<tr>
<td>• Language skills</td>
<td>• Form relationships beyond the</td>
</tr>
<tr>
<td>• General knowledge and cognitive skills</td>
<td>immediate family</td>
</tr>
<tr>
<td><strong>Secure attachments</strong></td>
<td><strong>Secure attachments</strong></td>
</tr>
<tr>
<td>• Develop loving, caring relationships with parents and other caregivers</td>
<td>• Develop capacity to fulfill emotional relationships with peers</td>
</tr>
<tr>
<td>• Develop basic trust in parents and caregivers</td>
<td>• Develop positive, supportive attachments with adults</td>
</tr>
<tr>
<td>• Develop curiosity about environment</td>
<td>• Develop loving relationships with</td>
</tr>
<tr>
<td>• Develop an eagerness to try new things</td>
<td></td>
</tr>
<tr>
<td><strong>Social engagement and competence</strong></td>
<td><strong>Social engagement and competence</strong></td>
</tr>
<tr>
<td>• Strong, positive relationships with parents and caregivers</td>
<td>• Develop empathy for others</td>
</tr>
<tr>
<td>• Strong, positive relationships with siblings</td>
<td>• Engage in harmonious behaviour</td>
</tr>
<tr>
<td>• Positive relationships with peers</td>
<td>• with other children</td>
</tr>
<tr>
<td>• Cooperative play with kids</td>
<td>• Develop concern for other social groups</td>
</tr>
<tr>
<td>• Harmonious participation with family and friends</td>
<td></td>
</tr>
<tr>
<td>• Have/be chosen as friend(s)</td>
<td></td>
</tr>
<tr>
<td><strong>Smart risk taking</strong></td>
<td><strong>Smart risk taking</strong></td>
</tr>
<tr>
<td>• Tempered curiosity</td>
<td>• Creative problem solving and the pursuit of adventurous activities</td>
</tr>
<tr>
<td>• More research is needed to bridge gaps in knowledge in this area</td>
<td>• More research is needed to bridge gaps in knowledge in this area</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Adapted from Tipper and Avard (1999 22-24).
outcomes can play a significant role in the policy design and development process used to create and strengthen a societal strategy for children. Although the primary reason for measuring child outcomes is to ensure that the life circumstances of children improve, such measurements can also serve other ends. This is particularly visible within governments that are beginning to use child outcomes as one part of their assessment of policy performance but has similar relevance for other policymakers as well.

The use of child outcomes to assess government performance is a relatively recent phenomenon. Traditionally, the measures that have been used parallel the evolution of performance accountability measurement as a whole. The United Way of America has described how performance measurement has broadened in scope over time. Beginning with financial accountability measures, performance indicators later included program outputs or products, such as the “number of counselling sessions” or “days of care.” Adherence to standards were subsequently incorporated, using indicators such as “staff qualifications” and “staff-to-client ratios.”

Performance measures were later expanded to include data on program participant characteristics, such as “age, sex, or presenting problem.” More recently, performance measures have begun to include program effectiveness indicators such as “ratios between inputs, services, outputs and total costs” and “improvement of client well-being.” Most recently, accrediting bodies within the human services sectors have demanded the measurement of “client satisfaction with services” (Plantz, Greenway, and Hendricks, 1999, 16).

This brief overview of how performance indicators have broadened in scope over time reflects the spectrum of performance measurement that is currently in use by the federal government and the six provinces CPRN studied as part of an evaluation of governance and accountability issues related to child and family policy. The range of performance indicators used by these governments is shown in Table 2-2.

In the range and detail of the performance indicators used, British Columbia has the strongest focus on measuring child and family outcomes among all the jurisdictions reviewed. It has not integrated the measurement of outcomes into its business planning process, although it intends to do so in the near future.

Since 1995, the Alberta government has monitored outcome goals and integrated them into its government-wide and ministry business planning processes. Six Alberta ministries will now be held jointly responsible for progress on achieving the same outcomes for children and families: Children’s Services, Health and Wellness, Learning, Human Resources and Employment, Justice, and Community Development. The province’s 18 Regional Child and Family Services Authority boards will also be responsible for identifying outcome goals and showing how these contribute to regional, cross-ministry and government-wide goals for children and families.

New Brunswick has a sophisticated outcome measurement system that allows clear evidence to emerge on the effectiveness of its multi-component Early Childhood Initiatives Program. Program outcomes are measured against departmental goals for health and social services rather than against an overarching mission for children and families.

Saskatchewan, Ontario and Quebec provide data primarily on the achievement of goals for services delivered, resources allocated and, sometimes, for distribution of and access to services. Child outcomes are reported in some ministry business plans (e.g., Ontario Ministry of Health). Outcomes for clients are also included in some specific program evaluations. Saskatchewan and Quebec have “progress reporting” well integrated into their government-wide mission and as part of their planning processes for children and families.

Each year since 1996-97, the federal government has tracked its progress relevant to the Throne Speech theme “Investing in Children.” However, a clear path from a government-wide mission for
Of the six provinces studied, British Columbia, Alberta and New Brunswick have implemented provincial outcome measurement systems and Saskatchewan has undertaken a project to develop one. It is useful to look for commonalities across the three provincial systems that are in place to identify areas of convergence in the types of outcome indicators used for children and families. Indicators used or under development by at least two of these three governments are included in Table 2-3.

Table 2-2
Spectrum of Measurement for Child and Family Services

<table>
<thead>
<tr>
<th>Measurement spectrum</th>
<th>British Columbia</th>
<th>Alberta</th>
<th>Saskatchewan</th>
<th>Ontario</th>
<th>Quebec</th>
<th>New Brunswick</th>
<th>Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial data</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(financial accountability)</td>
<td>X</td>
<td>XX</td>
<td>XX</td>
<td>XX</td>
<td>XX</td>
<td>XX</td>
<td>XX</td>
</tr>
<tr>
<td><strong>Program outputs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(days of care, number of counselling sessions)</td>
<td>XX</td>
<td>XX</td>
<td>XX</td>
<td>XX</td>
<td>XX</td>
<td>XX</td>
<td>XX</td>
</tr>
<tr>
<td><strong>Program standards</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(staff-client ratios, spaces/1,000 population)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>XX</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td><strong>Client characteristics/needs assessments</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(age, sex, depth of poverty)</td>
<td>XX</td>
<td>XX</td>
<td>XX</td>
<td>XX</td>
<td>XX</td>
<td>XX</td>
<td>XX</td>
</tr>
<tr>
<td><strong>Program effectiveness</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(cost per client served, improvement of client well-being)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td><strong>Client satisfaction</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(with programs and services)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td><strong>Population outcomes – negative</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(reduction of children in poverty, fewer low birth weight babies, reduction of tobacco, alcohol and marijuana use by youth)</td>
<td>XX</td>
<td>XX</td>
<td>n/a</td>
<td>X</td>
<td>O</td>
<td>XX</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Population outcomes – positive</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(percent of children immunized, percent of healthy birth weight babies, percent of noncustodial parents paying child support)</td>
<td>XX</td>
<td>XX</td>
<td>n/a</td>
<td>X</td>
<td>O</td>
<td>XX</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Source: Adapted from Thompson (1999b, 16).
### Table 2-3
Convergence in Measuring Child Outcomes

Key: ✓ = Province reports the outcome indicator for the criteria shown.  
Blank cells = Province does not measure outcomes for the criteria shown.  
NLSCY = Outcome indicators used are based on analyzed data from the National Longitudinal Survey of Children and Youth.

<table>
<thead>
<tr>
<th>Outcome indicators used</th>
<th>British Columbia</th>
<th>Alberta</th>
<th>New Brunswick</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Physical well-being</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Infant mortality rate</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>• Percentage of low birth weight babies</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>• Mortality rate of children aged 1 to 4 years</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>• Mortality rate of children aged 5 to 14 years</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>• Percentage of two-year-old children properly immunized</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>• Rate of vaccine preventable diseases</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>• Reported cases of child abuse/neglect (British Columbia and Alberta) or percent of child abuse/neglect cases for which goals are met within two years (New Brunswick)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>• Teen birth rate</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Learning readiness</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Children aged 4 to 5 whose verbal ability falls within or above the normal range of development (from NLSCY)</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>• Children aged 4 to 5 whose motor and social skills fall within or above normal range of development (from NLSCY)</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>• Children aged 13 who are achieving an acceptable level on national math and science exams (British Columbia and New Brunswick) or acceptable math and science achievement in grades 3, 6, 9 and 12 (Alberta)</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>• Children aged 13 who are achieving an acceptable level on national reading and writing exams (British Columbia and New Brunswick) or acceptable reading and writing achievement in grades 3, 6, 9 and 12 (Alberta)</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td><strong>Economic security</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Children living in families above Statistics Canada’s low-income cut-offs (British Columbia) or above the National Market Basket Measure of Low Income (Alberta)</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>• Support paid on behalf of spouses and children as a proportion of the amount owed in support (New Brunswick) or measure under development (Alberta)</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Source: Adapted from Thompson (1999b, 17-18).
There is considerable similarity between the positive child outcome indicators proposed in Table 2-1 and the indicators actually used by the three provinces that currently report child outcomes as part of their provincial performance accountability processes. This is particularly evident in the more extensive measures used by British Columbia, which also reports indicators for child outcomes by developmental stage. However, there is a clear preference for the use of traditional deficit outcome measures in the area of physical well-being. In this cluster, all indicators currently used by the jurisdictions studied are presented in a negative or deficit format, with the exception of one discrete measure used in each province.

Accordingly, most measures of physical well-being currently used in Canada would have to be recast to qualify as positive outcomes. For example, instead of reporting “child mortality” for children in a particular age range, provinces could present “child survival rates” for that age group. British Columbia and Alberta have each used this approach for reporting the “percentage of two-year-old children properly immunized.” Similarly, New Brunswick has adopted this approach for reporting the “percent of child abuse or neglect cases for which goals are met within two years” instead of the traditional deficit measure for “reported cases of child abuse or neglect” (Thompson, 1999b, 20-21).

In terms of learning readiness, British Columbia alone uses positive outcome data from the NLSCY. For older children, all three provinces use positive outcomes indicators to report on successful learning achievement at school. British Columbia and New Brunswick rely on data prepared by the Council of Ministers of Education to report these results for 13-year-old children. In contrast, Alberta uses its own achievement test data for children in grades 3, 6, 9 and 12.

Across all three of these provinces, there is much less reporting for the outcome domains CPRN terms secure attachments, social engagement and competence, and smart risk taking. British Columbia, however, does use some measures of social engagement, again relying on data from the NLSCY. This points to the fact that each of these provinces also diverges in the way in which child and family outcomes are measured (Thompson, 1999b, 21). For example, Alberta uses a number of outcome measures related to meeting the needs of Aboriginal families with children. Box 2-1 presents a synopsis of some innovative outcome measures reported by British Columbia, Alberta and New Brunswick.

In addition to the use of child outcomes as part of provincial performance accountability reporting, the National Child Benefit program is an important venue for monitoring and reporting child and family outcomes. Under the terms of the program, governments are jointly accountable to the public rather than to each other. Therefore, the annual reporting of progress is one requirement of this broader program of federal-provincial reinvestments in children designed, in part, to reduce the depth of poverty among families with children.

Each government provides programs unique to its own jurisdiction, but the results that are reported reflect pan-Canadian goals that are expected to lead to improved child outcomes. For example, children are being “removed” from social assistance by the Canada Child Tax Benefit and by provincial programs intended to do the same. Income transfers and other benefits for low-income families are changing and annual reporting indicates how this is altering family circumstances. In other words, progress reports on the National Child Benefit show how government actions are changing some of the factors that contribute to the enabling conditions that improve child outcomes (adequate income, effective parenting and supportive community environments).

2.4 Emerging Patterns of Policymaking and Implementation

As Chapter 4 will document, the substance of public policy affecting children and families has changed considerably in the past decade. In addition,
the 1990s have witnessed experimentation with new policy processes. These processes include consultation with community stakeholders, new forms of collaboration among the federal, provincial and territorial governments, and efforts to integrate government actions by creating cross-sectoral relationships within provinces. This section briefly describes each of these major changes, both to acknowledge the changes that are taking place in government and to provide other policymakers with examples of trends in the child and family policy design and implementation process.

**Box 2-1**

**Innovative Approaches to Measuring Child Outcomes**

Areas of innovation in outcome measurement provide important opportunities for learning and may also offer examples of best practices. British Columbia, Alberta and New Brunswick each measure some outcome indicators that are not reported by the other two provinces.

**Physical Well-being:** British Columbia uses data from the NLSCY to report outcomes for breast-feeding, alcohol and tobacco use during pregnancy, and early development. The province also uses its own data to report the incidence of child HIV, Fetal Alcohol Syndrome, injuries, disabilities, neural tube defects, and dental caries. New Brunswick reports communicable disease rates, including all HIV infections, as well as life expectancy at birth.

**Learning Readiness:** British Columbia reports child attitudes towards learning. Alberta reports the percentage of students, parents and the public who are satisfied that schools provide a safe and caring environment. New Brunswick reports on the integration of computer technology into public education as measured by the ratio of pupils per computer and the ratio of pupils per World Wide Web ready computers.

**Social Engagement and Competence:** British Columbia uses data from the NLSCY to report levels of child sadness, family well-being and how well children are getting along with their parents and peers. New Brunswick reports the rate of reduction in out-of-province residential mental health placements for children and youth.

**Other Outcome Domains:** British Columbia reports several measures related to demographics, family structure, economic security, housing, child care, and service use. Alberta reports the median income of families. It also reports several measures related to service delivery provided to Aboriginal children and families. These include: (1) the percentage of Aboriginal people satisfied with their involvement in the governance, delivery, and evaluation of services for Aboriginal children, (2) the proportion of programs with an identifiable Aboriginal component, (3) the proportion of Aboriginal children in the care of the province, and (4) the proportion of Aboriginal children cared for through First Nations Child Welfare Agreements.

Source: Adapted from Thompson (1999b, 19).

**Consultation on Policy Priorities**

Provinces have recently used, or are using, a range of mechanisms for soliciting public input to inform the policy process. This spectrum of engagement is shown for six provinces in Table 2-4 and described in detail thereafter.

**Advocates or Secretariats**

Four provinces have child or family advocates or secretariats. Two report to the legislature (British Columbia and Saskatchewan) and two report to ministers (Alberta and Ontario). British Columbia has three advocates for children: (1) The BC Child, Youth and Family Advocate hears from the community and provides advice to the legislature on child and family issues in general, (2) the Children’s Guardian reviews child fatalities and identifies needed improvements for children who are under government supervision, and (3) the Ombudsman monitors the implementation of the recommendations of the Gove Inquiry into Child Protection and advises on other child-related matters.

Saskatchewan’s Children’s Advocate provides an annual public report to the legislature on areas of success and areas needing attention in the province’s policy and program planning and also educates the public on child and family issues. Alberta’s Children’s Guardian advises on individual needs and systemic issues regarding children in the care of the province. The recently created Ontario Children’s Secretariat is responsible for obtaining input and reporting on needed changes to policies and programs. In addition, the Early Years Task
Group, which reports to the Minister Responsible for Children, will develop advice for all sectors and all levels of government by March 2000 using as its starting point *Reversing the Real Brain Drain: The Early Years Study Final Report* (McCain and Mustard, 1999).

**Provincial Advisory Councils**

Saskatchewan and Quebec each have provincial councils. Saskatchewan’s brings together representatives of most community service providers and has been reported to be very influential in planning policy for the province. The Council meets annually with all the ministers responsible for areas of child and family policy. Quebec has two advisory bodies. The Ministry of the Child and Family has established a Forum of Partners, representing education, health, the workplace, and volunteer community services. The Forum will regularly consult with the main representatives of child and family stakeholders on policy matters to ensure coherent action. Quebec’s Conseil de la famille et de l’enfance (Council on the Child and Family) is responsible for soliciting opinions and hearing suggestions on child and family issues, and submitting an annual report to the Minister of Children and Families on the circumstances and needs of families and children in Quebec.

**Task Forces or Forums**

Virtually all provinces, and the federal government, have used task forces or forums in the last few years to examine issues related to child and family policy. Recent initiatives include the provincial children’s forum Alberta held in 1999, Saskatchewan’s recently completed major task force on employment and family issues, Ontario’s *Early Years Study*, the consultations conducted after the release of Quebec’s White Paper in 1997, New Brunswick’s social policy renewal roundtable, and the Canadian Senate’s recent study on child custody and access issues.

**Regional Advisory Committees and Governance Boards**

Virtually all provincial health systems moved to a regional board structure during the 1990s (Gourlay, 1998), which may portend the beginning of a similar trend in child and family services. In British Columbia, advisory committees provide input to Regional Executive Directors who are responsible for child and family services. In Alberta, the appointed members of Child and Family Services Authority governance boards are responsible for structuring and overseeing child and family services in 18 regions of the province. Saskatchewan’s nine regional intersectoral committees are responsible...
for finding innovative ways to integrate human services at the local level. In Quebec, the Ministry of Children and Families works closely with regional development councils to ensure that child care services are adapted to regional and local conditions. Regional task forces are created to determine specific needs for child care and to plan an appropriate response.

**Community Structures**

Volunteer community planning boards in many Alberta communities provide advice to regional Child and Family Services Authority boards. Participants include representatives from many segments of the community including the RCMP, health districts, school boards, and First Nations governments, as well as government personnel. Quebec’s numerous CLSCs (Centre local de services communautaires) are engaged in community development activities and are active in most areas of child and family policy, as is the program Villes et Villages.

Many of these initiatives for increasing community involvement in the area of child and family policy are relatively new. It is too early to evaluate their effectiveness and it is also uncertain if these consultation mechanisms will provide a useful feedback loop for policy and service planning.

**New Forms of Collaboration**

The National Children’s Agenda is a recent example of cross-jurisdictional and cross-sectoral collaboration designed to create a joint vision for child well-being. Consultations with stakeholders have been undertaken across Canada, outside of Quebec. Similarly, the National Child Benefit (NCB) – considered to be the first major social policy created by government in years – has demonstrated that collaboration among governments can increase policy coherence. The NCB emerged from the recognition that children had become the unsuspecting victims of the “shake out” in public finance and has been the flagship in the process that created the Social Union Framework agreement.

The NCB and the Social Union Framework mandate both the measurement of outcomes for social programs as well as the public reporting of results. The children’s sector is further along than others in this regard since tracking began with the National Longitudinal Survey of Children and Youth. The ability to agree upon desired child outcomes as goals has the potential to facilitate future collaboration, both across jurisdictions and within them, and to serve as a means to manage interdependence.

Successful collaboration could be a building block in the development of a societal strategy for children and families. This could include the development of a shared accountability structure to enable governments, public institutions, employers, communities and citizens to set goals and priorities for children and families, take actions to achieve these goals, and track progress by measuring and monitoring child and family outcomes.

Nonetheless, a societal strategy for children can not rely on governments alone. It must rely on employers, the voluntary sector, parents and other citizens to help meet the varied needs of young children and their families. Broad-based collaborative efforts are required to make democratic choices about what is wanted for children and families, and to take coordinated action to meet child and family needs.

**New Relationships and Delivery Structures**

At a national roundtable on governance and accountability issues related to child and family policy hosted by CPRN in May 1999, participants confirmed that community consultations have brought a number of policy delivery issues to light.

For example, parents say they want access to a “one stop shop” through which they can receive a full spectrum of information and referrals, as well as some services, to enable them to meet their family’s needs in the areas of education and lifelong learning, health and mental health, income support, and a range of social services designed to
meet more specialized needs. They believe this type of resource institution should be located in a community setting such as a school, community centre or health unit. Parents would like to use this type of existing physical setting as an anchor or hub in the community, which serves as a single point of entry into the service delivery system.

Parents in need of services would also prefer to have a single assessment that will enable them to access programs and services to meet their varied needs, many of which cascade at points of family transition. Since children’s needs change from year to year, and family needs change both through the years and as they face new challenges, sharing information among service providers (initially and over time) will be essential to providing appropriate referrals to supportive programs and services. Therefore, an important governance issue relates to the management of shared information. Roundtable participants acknowledged this challenge and reported that many jurisdictions are experimenting with ways to make this possible in order to better meet the needs of children and families.

All jurisdictions studied during this project, and others that were represented at the roundtable, are changing the way they provide support to families with children, in terms of both program content and service delivery. In some provinces, this has produced changes in the governance structures used for policy planning and service delivery. These structural changes have been designed to improve the integration or coordination of services and policies across government ministries and departments. One particularly strong thrust is a response to the call for integrated, mixed use community resource centres for families, which are in various stages of development across Canada. Some examples of these “one stop shops” for parents and their children are highlighted in Box 2-2.

In their review of emerging trends in policy design and development, roundtable participants concluded that, historically, there have been periodic changes in the structures used to develop and deliver child and family services. These changes have produced successive waves of centralization, decentralization, and various combinations or recombinations of government departments. Participants suggested that, in the past, governments have sometimes reorganized structurally as a response to the need to “do something.” However, the end result was often not worth the high costs of reorganization since the resulting structures were likely to revert to old ways of functioning.

Accordingly, participants stressed that policy is more important than the governance structures used to deliver it. They agreed that governance in the realm of child and family policy must be broadly defined to focus less on organizational structures and more on both the government-community interface and the influences brought to bear on the policy process.

In particular, participants from governments and the community identified the culture of government organizations as a barrier to implementing new policies. They argued that it will be essential to build a shared culture within ministries that deliver child and family policy, and between those ministries and the community agencies responsible for service delivery. That shared culture should be built on a common vision and shared goals for children and families.

Ensuring that all the key stakeholders, within government and in the broader community, participate in setting the vision from the outset is thought to be essential to building the shared culture needed to deliver policies that empower families to meet their varied needs. Progress, therefore, requires an intensive investment in consultation to create strong lines of communication. It also requires trust, which must be developed and nurtured over time.

The progress made to date in building the shared culture needed to effectively deliver child and family policy is difficult to assess. Progress has been made at the national level, and individual provinces have made considerable investments in this direction. These efforts to manage interdependence, across governments and across sectors of society, suggest
Community-based services are beginning to be provided across Canada by institutions or agencies with a mandate to integrate services. These services are often situated or proposed for existing community settings such as schools, health units, community centres, government buildings, and so forth. In some provinces, such mixed use arrangements are often facilitated by partnership agreements struck between several service providers drawn from the public, private and voluntary sectors.

Quebec has innovated with such institutions since the 1970s. Its CLSCs (Centre local de services communautaires) serve as a point of entry to the health care and community service systems. They provide home care (including home care for multiple births), perinatal care, parenting support, and so forth, and are mandated to participate in community development projects. These centres have a professional staff composed of various health care practitioners and social workers. All of Quebec’s Early Childhood Centres are developed in collaboration with CLSCs and have sometimes been located within them.

In New Brunswick, the federal government funds 13 Family Resource Centres through the Community Action Program for Children or “CAP-C.” These are located in low-income areas and provide drop-in services for families with children under the age of six. Services include playrooms, community kitchens and toy exchanges, as well as parenting courses and networks of peer support. While funded by the federal government, provincial employees such as public health nurses, nutritionists and social workers involved in the province’s Early Childhood Initiatives are active in the Family Resource Centres.

Interest in supporting this type of community anchor, and in providing more consistent provincial coverage, is emerging in Alberta and Ontario. In many of Alberta’s regional service plans guiding the support of children and families, newly established Child and Family Services Authorities have identified the need for community-based family resource centres. Plans are to provide these in existing community buildings or offer them as mobile services to residents of rural and remote communities. Depending on local and regional needs, child care services may be included in the mix of programs provided.

Proposals for similar broad-based community support centres for parents and children were made in Ontario’s *Reversing the Real Brain Drain: The Early Years Study Final Report*. The study calls for the creation of Early Childhood Development and Parenting Centres that are accessible and affordable, although optional, for all children and families in Ontario. These centres are supposed to become community anchors harbouring day care services, resources for parents and caregivers, parenting courses, and so forth. They are also intended to integrate kindergarten services and, therefore, schools are identified as an excellent, although never the only, potential locale.

Although the names vary from province to province, the design of these community resource centres remains much the same. They are all intended to provide families with a “one stop shop” where they can access the information, referrals and support that will empower parents to promote the well-being and healthy development of their children throughout the life course.

that Canada may now be edging its way towards a societal strategy for children.

### 2.5 Distillation of the Research Findings

Box 2-3 presents a distillation of the key research findings about child outcomes and their measurement. These findings will be consulted again as Chapter 5 constructs the policy recommendations arising from this study.

A strong focus on child outcomes plays a pivotal role in the emerging approaches to policy for families with young children observed in Canada and elsewhere. The next chapter of this report illustrates the relationship between public values, policies and child outcomes.
Ongoing research exploring child outcomes in the Canadian context holds great promise for future evidence-based decision making with respect to a best mix of income supports and developmental interventions for Canada’s children. However, more research is needed, especially using multidisciplinary approaches. Indeed, when the jargon used by different disciplines is stripped away, there is already a great deal of consensus about the importance of child outcomes and how best to study and understand them.

Sharing knowledge across disciplines and sectors is critical to broadening the current understanding of child development and assessing its impact on Canada’s social fabric and its prosperity as a nation. Research tools like the National Longitudinal Survey of Children and Youth provide researchers with data sources that will make Canada a leader in policy relevant child outcome measurement and evaluation.

The proposed use of positive outcome indicators for children challenges citizens, communities, public institutions, governments and employers to reconsider how they think about child development and its relevance to Canada’s future. This new approach to outcome measurement also challenges citizens, individually and collectively, to re-examine what can be done across all sectors to help Canada’s children be the best they can be, now and into the future.

A system of positive outcome measurement that is closely tied to the policy process can enhance the entire policy development and evaluation process and meet citizen demands for greater government performance accountability. It can also help strengthen the social union by achieving consistency on nationally accepted and understood principles of child development. In addition, it can help partnerships across governments, sectors and community agencies focus on key goals for children and take joint action to achieve desired child outcomes. These outcome measures are also a rich resource for leaders in the private and voluntary sectors who are committed to contributing to a societal strategy for children.

Notes

1 The Conference Board of Canada’s Employability Skills Profile is reproduced in Tipper and Avard (1999, 5).
2 Unless otherwise noted, all data in Section 2-4 are adapted from Thompson (1999b and 1999c).
Public values influence and are influenced by the policy instruments used in a country, and these policy choices are associated with different child outcomes. This chapter discusses the CPRN research that examined the research evidence related to child outcomes in five countries, and then explores the association between public values and the policy instruments used to invest in children and their families in eight countries.

3.1 An International Comparison of Child Outcomes

Comparisons with other countries help identify where Canada’s performance in providing the enabling conditions for successful child outcomes needs improvement if we are going to rise to the top of the class. Comparisons also help us identify the range of policy goals and instruments that are available to stakeholders to create these enabling conditions.

CPRN conducted a major research study that shows an association between public values and child outcomes in five countries. The findings about differences in child outcomes and associated differences in policy and values are discussed below.

Why did we look to other countries for evidence on child outcomes? Canada’s physical proximity to the United States has enabled the easy flow of ideas, products and capital between the two countries. Historically, however, Canadians also modelled their social programs after Britain’s and distinguished themselves from Americans by their somewhat more generous welfare state. Yet, in the social policy realm, comparisons with the United States are too often the only ones that are considered relevant. Alternatives drawn from other countries, especially European ones, “are sharply circumscribed and considered irrelevant” (Baker, 1997, 3-4).

To balance this pervasive perspective, the countries selected for comparison with Canada were the United States, the United Kingdom, Norway and the Netherlands. Limitations in appropriate data have meant that, until very recently, it has not been possible to compare specific outcomes for young children in Canada with those experienced by children in other countries. This CPRN research establishes some initial benchmark comparisons of social policy explicitly designed with young children in mind. By adding data on child outcomes, we begin to understand the possible links between policy variations, family circumstances, and child well-being.

Making such comparisons requires having a notion of which outcomes are desirable. This is where discussions of child outcomes often get muddied. Some research reports specific outcomes (e.g., physical, emotional and behavioural achievements or failures, relative to an age-specific peer group). Other research reports on the factors that contribute
to outcome achievement (e.g., economic status, family composition, the effects of a range of policies). Navigating through this confusion, we can examine a number of these different indicators to determine how Canadian children are doing.

There is a particular focus on tax and transfer programs since these can be studied using quantitative techniques. However, these policies are framed in the context of both social trends and national values since different approaches to child policy are supported by underlying principles that differ significantly across countries.

The United States and the United Kingdom have programs that are broadly similar to Canada’s, whereas Norway and the Netherlands offer a different mix of programs. In addition, Norway offers more extensive programs for children than does Canada, whereas the United States offers less. Thus selecting countries with variations in both the level of benefits and the mix of programs increases what can be learned from cross-country comparisons of policies and outcomes for young children.

The countries studied have significant differences in terms of geographic size, ethnic mix and culture. Thus results should be interpreted with these differences in mind since it is never possible to transfer one country’s entire policy mix to another, given the differences in each country’s history, culture and policy legacies.

### 3.2 Social and Demographic Trends

All five countries studied have experienced major social change in the past 30 to 40 years. With some important exceptions, the pattern and direction of change are the same, although the degree of change varies. Canada hardly differs from other countries when social and demographic trends are compared. While some countries may diverge on one or more measures, Canada is always near the norm or in the middle of the pack. For example, over two-thirds of women are employed, while three of five mothers in two-parent families and half of all lone mothers are in the labour force. Similarly, our tax rates are neither the highest nor the lowest and Canada is neither the most, nor the least, ambitious in efforts to reduce income inequality. Table 3-1 provides a synopsis of social trends and policy responses in the countries studied, which are discussed thereafter in the text.

Such complicated patterns are instructive. They teach that choices about policies are relevant but there are no simple keys to success. For example, the United States taxes 81 percent of families at only 11 percent of disposable income and also spends very little on social programs. The Netherlands reduces income inequality by spending a lot on social programs while taxing virtually all families at 25 percent. Norway reduces income inequality by spending a lot on social programs while taxing 90 percent of families at a moderate 14 percent. Canada is spending less on reducing income inequality through social transfers than the Netherlands or Norway, while taxing 86 percent of families moderately at 18 percent. These and other differences are discussed below.

**General Labour Force Participation Rates:** Labour force participation rates for men in all five countries declined somewhat between 1960 and 1994, although 80 percent of men aged 15 to 64 remained active in the labour force. In sharp contrast, rates for women have increased dramatically, but vary according to the number of women who initially were and now are active in the labour force. Participation rates doubled for Canada, Norway and the Netherlands, increased slightly less in the United States, and much less in the United Kingdom, which had the highest initial rate (46.1 percent) but now has one of the lowest current rates of female employment (65.6 percent). While the rate for the Netherlands increased the most, only 57.4 percent of women there are engaged in paid labour versus 65.6 percent in the United Kingdom, 67.8 percent in Canada, 70.5 percent in the United States and 71.6 percent in Norway.

**Mothers’ Labour Force Participation:** Children living in two-parent families are most likely to have
both parents working outside the home in Norway (72 percent), Canada and the United States (60 percent each). The earnings of employed mothers in these countries, however, comprise only about 20 percent of gross household income (which includes earnings, social transfers and other income sources). In contrast, dual-earner families are much less common in the United Kingdom (38 percent) and the Netherlands (34 percent). Labour force participation rates among lone mothers echo this pattern, with the highest rates occurring in Norway (77.9 percent), lower rates in the United States (61.2 percent) and Canada (50.4 percent), and much lower rates in the United Kingdom (27.9 percent) and, especially, the Netherlands (19.3 percent).

**Fertility Rates:** Between 1970 and 1994, fertility rates decreased in all five countries. The most significant declines occurred prior to 1975 and rates have held relatively constant since then. Current fertility rates, measured as the average number of children per woman aged 15 to 44, range from a low of 1.56 in the Netherlands, to 1.70 in Canada, with a high of 2.00 in the United States.

**Divorce Rates:** Divorce rates in all five countries increased dramatically between 1960 and 1994. The United States stands out as having much higher initial and current divorce rates than elsewhere. The current rates for Canada and the United Kingdom are slightly higher than those for Norway and the Netherlands. In 1992, the number of divorces per 1,000 population were 4.8 in the United States, 3.0 in the United Kingdom, 2.7 in Canada, 2.4 in Norway, and 2.0 in the Netherlands.
**Family Status:** Children are most likely to live in a lone-parent family in the United States, which has the highest divorce rate, and least likely to live in a lone-parent family in the Netherlands, which has the lowest divorce rate. Relative probabilities of children living in a lone-parent or two-parent family are quite constant for children of different ages in the United States, the United Kingdom and the Netherlands. In contrast, the probability of a child living with a lone parent increases with age in Canada (from 10.8 percent for infants to 17.5 percent for children aged 6 to 11) and decreases with age in Norway (from 33.3 percent for infants to 21.7 percent for children aged 6 to 11). In all five countries, children in lone-parent families are much more likely to be living with a mother than a father.

**Income Inequality:** Income inequality increased in all five countries during the 1980s and the first half of the 1990s. This increase has been most dramatic in the United Kingdom, but less in Canada despite significant increases in *earning inequality* in Canada – in large part because of income transfers. Income inequality is much higher in the United States than elsewhere, second highest in the United Kingdom, lower in Canada and the Netherlands, and much lower in Norway.

**Sources of Parental Income:** For children in married-couple families, between 96 and 99 percent of families receive some earned income, except those in the United Kingdom, where this figure is much lower at 88 percent. In the Netherlands, Norway and the United Kingdom, where universal family allowances are available, some social transfer income is received by 99 percent of married-couple families. In contrast, Canada and the United States target their social transfer benefits, which are received by 91 percent of married-couple families in Canada versus only 42 percent in the United States. For lone-mother families, earned income varies widely, at 21 percent in the Netherlands, 36 percent in the United Kingdom, 60 percent in Canada, 71 percent in the United States, and 81 percent in Norway. However, some social transfer income is received by 99 to 100 percent of lone-mother families, except in the United States, where this figure is only 90 percent.

### 3.3 Policy Differences

When the general policy environment is examined for the years 1960 through 1994, Norway and the Netherlands had the largest state sectors at the end of the period. Levels of taxation were higher, as were levels of spending on social security programs as a percentage of gross domestic product. While the United Kingdom started out the period with a relatively large state sector, this has diminished over time due to tax and program cuts. The United States has consistently had both the lowest levels of taxation and the lowest levels of social spending.

When taxes paid by families with children are examined, tax rates as a percent of disposable income are highest in the Netherlands, at an average of 25 percent, and almost every household with children pays taxes. In contrast, tax rates are lowest in the United States, at an average of 11 percent, but only 81 percent of households with children pay taxes. Between these extremes, 90 percent of households with children pay taxes in Norway, at an average tax rate of 14 percent whereas, in Canada, only 86 percent of households with children pay taxes, at an average tax rate of 18 percent.

Virtually all families with children in Norway, the Netherlands and the United Kingdom receive some social transfer income since these countries all provide a universal family allowance. Fewer families receive benefits in Canada. In sharp contrast, only half of all families with children receive social transfers in the United States but, for those that do, it is a more significant component of gross family income than it is elsewhere.

### 3.4 The Relevance of Values to Policy

Norway and the Netherlands spend the most on social programs in general and on children in
particular, whereas the United States spends the least. Although income inequality is lowest in Norway and the Netherlands, individuals in these countries are more concerned about reducing income inequality than are individuals in the United Kingdom, Canada and, especially, the United States. Reducing income inequality moves from principle to practice in Norway and the Netherlands through policies that combine higher taxes, significant tax reductions for families with children, and generous universal social transfer programs.

Significantly, the European nations are far less concerned that generous social programs will be a disincentive to employment. Individuals in Canada and, especially, in the United States are much more likely than Europeans to believe that people live in need because they are “lazy.” In the past, the Netherlands offered liberal support to enable mothers to care for their children at home. Generous universal social transfers are available in Norway to enable mothers to choose to either stay at home or be employed, yet Norway has the highest rate of labour force participation among lone mothers. This employment option is enhanced by generous maternity and parental leave programs, annual family (e.g., sick child) leave, and greater access to public child care.

North American countries offer lower levels of income tested social support as an explicit incentive for parents to work for pay, reflecting a value held in favour of the work ethic. Yet, ironically, Canada and the United States provide fewer and less extensive programs than their European counterparts to support employed parents with parental leave, family leave or child care. Many people in North America also value the idea of mothers caring for their children at home. However, social transfers and parental leaves are neither universally provided nor generous enough to enable all mothers of young children to do so. Indeed, while values are clearly split over the “value of employment” and the “value of mothers caring for their young children at home,” few policies are in place to permit North American parents to make meaningful choices according to their own preferences and act in the best interests of their families.

The United Kingdom, Canada and the United States view children largely as the private responsibility of their parents whereas Norway and the Netherlands view children as both a private and a public responsibility. Valuing children as a public responsibility translates into policy through, for example, the provision of “advanced maintenance payments” through which lone parents are advanced child support payments by the government. This approach is taken in Norway, where advanced maintenance payments are made to lone parents then collected, where possible, from the noncustodial parent. Thus society shares responsibility for child support rather than resting the full impact of payment default on the child and lone parent.

Similarly, Norway, the Netherlands and the United Kingdom each demonstrate the value these countries place on children by providing a universal child allowance to families with children. In contrast, Canada offers an income tested benefit while the United States offers no child benefit at all. The United States instead delivers support for families with children primarily by offering tax exemptions (write-offs) to working poor parents in lieu of a cash benefit paid for children. Norway offers both a tax exemption for dependent children and a child benefit.

Significant policy differences occur in the ways in which countries support mothers to: (1) care for their children at home, (2) be employed outside the home, or (3) offer choices in this regard. Norway offers generous parental leave programs that can be combined in flexible ways with paid employment. Cash transfers are also provided to lone mothers, which can be retained while they are in the labour force or in school. In addition, annual family leave is available to Norwegian parents. Mothers are thus enabled to participate in the labour force if they so choose. Until recently, the Netherlands provided generous social programs, particularly through social assistance and parental leaves, which explicitly supported parents to stay at home to care for their young children.

Public attitudes about child care may also affect public policy. In the United States, where children
are seen exclusively as a parental rather than as a shared societal responsibility, there is little support for the provision of public child care. However, some support for child care is provided through tax exemptions for child care expenditures. However, child care tax exemptions are of greater benefit to higher income earners whereas child tax credits would be of equal benefit to parents at all income levels.

None of the countries studied place a policy emphasis on early education as an end in itself. In contrast, however, universal public education is provided to children of school age in all five countries. A similar “in-kind” social transfer is provided in the form of universal public health care, which is offered everywhere except the United States. There, health care is largely a private responsibility and parents are expected to purchase private health care for their children if they so choose and can afford to do so. Canadian spending levels on in-kind programs for health and education suggest some support for broad-based in-kind transfers.

Critics suggest that the provision of generous social programs in Norway relates to its wealth as an oil-producing nation. However, when Norway’s social programs were instituted, output per capita was half that of either Canada or the United States. In 1960, the gross national product per capita, in US dollars, was $2,830 in the United States, $2,100 in Canada, and merely $1,260 in Norway. Therefore, Norway’s implementation of generous social programs that support families with children was clearly a policy choice, despite its more modest resources at the time.

Others argue that implementing high rates of taxation and generous social transfers similar to those in effect in Norway would damage the overall economic performance of Canada and the United States. However, Norway’s economic performance in recent times is no better or no worse than either Canada’s or the United States’, despite its extensive provision of state supported family policies.

3.5 Differing Child Outcomes

The crux of the matter is, however, given the differences in policy in each of the five countries studied, do child outcomes differ? Indeed they do. Specific outcomes can be compared by reviewing objective and subjective quantitative data about financial well-being, happiness, health, emotional well-being, and the outcomes experienced by lone-mother families. However, not all measures are available for each country.

Financial Well-being: In economic terms, well-being is often equated with access to income. When mean after-tax and transfer income is assessed, children in the United States are slightly better off than Canadian children and noticeably better off than children living in Norway. Income levels are slightly lower in the United Kingdom and the Netherlands than in Canada. Using median income (which cannot be skewed by extreme high or low values), Canadian children have the greatest access to income, although it is very similar to that available in Norway and the United States (when adjusted for family size and economies of scale by using the “per adult equivalent” measure).

When access to income for children in lone-mother families is compared to income available to all children, differences become more evident. Income for children of lone mothers is 52 percent of that for all children in the United States, about 66 percent in Canada, the United Kingdom and the Netherlands, and 81 percent in Norway. Thus Norway has the least income disparity between lone-mother children and all children. However, children of lone mothers are much more likely to be poor in all five countries than children in two-parent families and the difference in poverty rates are again striking. In the United States, 60 percent of lone-mother children are poor, versus 46 percent in the United Kingdom, 43 percent in Canada, 33 percent in the Netherlands, and only 16 percent in Norway. In all countries studied, children in lone-mother families also have worse outcomes than children in two-parent families in terms of almost all outcomes that can be measured. Children of lone mothers are
more likely to have low birth weights, asthma, and accidents (in terms of both likelihood and frequency), as well as more behaviour problems. It is not clear whether these outcomes are related more to lone-parent status, to the income differential experienced by lone mothers or to a combination of factors.

Taxes and social transfers also have an impact on poverty rates, as the data from the early 1990s presented in Table 3-2 clearly show. When all families are considered, there were fewer poor families in Canada than in the United Kingdom and the United States once income transfers were made and taxes were collected. For lone-parent families, the United Kingdom did better than Canada at reducing poverty, but barely, while both countries remained significantly ahead of the United States. However, a comparison of Canada, the United Kingdom and the United States to the Netherlands and Norway is less heartening. We see that, despite reducing poverty in families, Canada still has a high percentage of poor children. While making some families less poor, it has by no means eliminated poverty.

The way in which money is spent may also be important since public versus private expenditure appears to influence child outcomes. For example, the United States spends more overall on health care, although much of it is spent privately, but has worse health outcomes for children. Similarly, mean disposable income is greatest in the United States but its child poverty rates are the highest, despite efforts to target social spending to the poorest of children. In other words, those countries that pursue a more universal approach to policy and program delivery have superior records related to child outcomes than countries that target support only to certain groups. NLSCY data also show that poverty is strongly associated with poor health status in children.  

Health: Infant mortality, a commonly used outcome indicator, is lowest in Norway and the Netherlands and highest in the United States. Low birth weight is also used as a predictor of future negative child outcomes. The incidence of low birth weight is lowest in Norway and highest in the United States. Similarly, “weight for height” and “height for weight” measures are used as indicators of adequate nourishment. There are strong similarities in “height by age” across all the countries. However, while the United States starts off with

### Table 3-2
Effects of Social Transfers and Taxes on Poor Children

<table>
<thead>
<tr>
<th>Income for households with children aged 0 to 11</th>
<th>Percent of poor children</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Canada</td>
</tr>
<tr>
<td>All households with children</td>
<td></td>
</tr>
<tr>
<td>• Before taxes, without social transfers</td>
<td>26.3</td>
</tr>
<tr>
<td>• Before taxes, with social transfers</td>
<td>15.4</td>
</tr>
<tr>
<td>• After taxes, with social transfers</td>
<td>16.9</td>
</tr>
<tr>
<td>Lone mother households with children</td>
<td></td>
</tr>
<tr>
<td>• Before taxes, without social transfers</td>
<td>66.8</td>
</tr>
<tr>
<td>• Before taxes, with social transfers</td>
<td>41.6</td>
</tr>
<tr>
<td>• After taxes, with social transfers</td>
<td>42.5</td>
</tr>
</tbody>
</table>

1 Data are from the early 1990s.

2 “Poor children” are defined as a percent of all children aged 0 to 11, where poor means “family equivalent income” is less than 50 percent of “country equivalent income” according to the population income distribution.

Source: Adapted from Phipps (1999a, 98 and 100).
more low birth weight babies, by age eight or nine, American children are much heavier than their counterparts. This may indicate greater levels of child obesity in the United States, which could also be viewed as a negative child health outcome.

Parents in all countries studied subjectively regard their children as basically healthy. However, objective health measures show different child health outcomes. For example, in children aged 11 and under, asthma rates are 6.9 percent in Norway, 10.1 percent in the United Kingdom and 11.0 percent in Canada.

Relatively few children have long-term health problems that limit their activities, but there are some differences in this outcome reported across countries: 3.0 percent in Norway, 4.8 percent in Canada, 5.0 percent in the United States and 10.2 percent in the United Kingdom. Finally, the proportion of children aged 11 and under reported to have had accidents requiring medical attention “in the past year” is 10.6 percent in the United States, 10.2 percent in Canada and 7.9 percent in Norway. The likelihood of experiencing two or more accidents is greater in Canada, at 15.2 percent, than in either the United States, at 11.8 percent, or in Norway, at 8.1 percent.

Happiness: Economists also make use of self-evaluations about happiness to infer well-being. Although the means of asking people if their children are happy is subject to criticism, some information can be gleaned from assessing the number of children who are reportedly “not unhappy” at all. Canada and Norway fare best, where 98.8 and 97.1 percent of children, respectively, are reportedly happy, versus only 81.3 percent in the United States and 30.7 percent in Canada. Canada and Norway fare best, where 98.8 and 97.1 percent of children, respectively, are reportedly happy, versus only 81.3 percent in the United States and 30.7 percent in Canada. Since neither the United States nor the United Kingdom are very generous in providing programs for children, there could be an associated difference in well-being for children in these countries.

Emotional Well-being: The presence of acting out and withdrawing behaviours can also be used to indicate child outcomes and, as data from the NLSCY has shown, this may have long-term social costs or be associated with other family challenges that would respond to social policy interventions. In the United States, 26.4 percent of children aged 4 to 11 are reported to bully or be cruel, compared with 15.8 percent in the United Kingdom and only 11.1 percent of children in Canada. Children in the United Kingdom are reportedly more likely to be disobedient at school, at 35.4 percent, versus 21.9 percent in Canada and 19.6 percent in the United States. Of note, values studies show that parents in the United Kingdom are more concerned about obedience than other parents so this figure may reflect more rigid parental standards for acceptable child behaviour.

More children are worriers in Canada, at 48.8 percent, and the United Kingdom, at 45.8 percent, than in the United States, at 38.5 percent. In Canada, 53.5 percent of children aged 4 to 11 cry a lot versus 22.7 percent in the United States. This too may reflect a values difference in that American parents who value “toughness and independence” may under-report crying behaviour.

Canadian and American children are comparable among those reported to be high-strung, tense or nervous, at 27.1 and 30.7 percent, respectively. However, only 42.2 percent of Canadian children are described as “never restless or overly active” versus 58.7 percent of children in the United States. Finally, among 4- to 11-year-old children, 46.0 percent are reported to be anxious or frightened in the United Kingdom versus 35.9 percent in Canada, 31.8 percent in the United States, and only 11.3 percent in Norway.

3.6 Distillation of the Research Findings

Table 3-3 provides a summary matrix of child outcomes across countries in terms of happiness, health and emotional well-being. Many of the outcomes reported are for deficit measures rather than positive achievements.

Box 3-1 presents a distillation of the key research findings about policy instruments, public
values and child outcomes in Canada, the United States, the United Kingdom, Norway and the Netherlands. These findings will be consulted again as Chapter 5 constructs the policy recommendations that follow from this study.

### 3.7 An International Comparison of Policy Instruments

As the research comparing child outcomes in five countries has shown, public values influence and are influenced by the policy instruments used in a country, and these policy choices are associated with different outcomes. This is particularly evident with respect to financial well-being, notably in the impact tax and social transfer policies have on income levels in families with children, with marked differences emerging based on family status. Differences are also evident in outcomes used to indicate happiness, health status, and emotional well-being, although the links between policy and specific child outcomes are not as directly or easily demonstrable.

It is clear, however, that lone-parent families are much poorer than two-parent families and that children of lone parents have poorer outcomes overall. As NLSCY data have shown for Canada, family income is also a marker for other variables. Thus the interrelation of poverty, family status and child outcomes is extremely complicated and must be mediated through policy with a combination of income supports and program interventions.

<table>
<thead>
<tr>
<th>Table 3-3</th>
<th>Synopsis of International Child Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child health outcomes</td>
<td>Canada</td>
</tr>
<tr>
<td>Infant mortality (as a percent of live births)</td>
<td>0.68</td>
</tr>
<tr>
<td>Low weight births (percent of neonates weighing less than 5.5 pounds)</td>
<td>5.50</td>
</tr>
<tr>
<td>Average height at age 11 (in feet)</td>
<td>4.80</td>
</tr>
<tr>
<td>Average weight at age 11 (in pounds)</td>
<td>90.00</td>
</tr>
<tr>
<td>Percent of children aged 0-11 with asthma</td>
<td>11.00</td>
</tr>
<tr>
<td>Percent of children aged 0-11 who had accidents or injuries in previous 12 months</td>
<td>10.20</td>
</tr>
</tbody>
</table>

General happiness (subjective reports)

<table>
<thead>
<tr>
<th>Child outcomes</th>
<th>Canada</th>
<th>United States</th>
<th>United Kingdom</th>
<th>Norway</th>
<th>Netherlands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of children who are not unhappy</td>
<td>98.80</td>
<td>81.30</td>
<td>80.20</td>
<td>97.10</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Emotional well-being (subjective reports)

<table>
<thead>
<tr>
<th>Child outcomes</th>
<th>Canada</th>
<th>United States</th>
<th>United Kingdom</th>
<th>Norway</th>
<th>Netherlands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of children who are cruel or who bully</td>
<td>11.10</td>
<td>26.40</td>
<td>15.80</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Percent of children who are disobedient at school</td>
<td>21.90</td>
<td>19.60</td>
<td>35.40</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Percent of children who worry</td>
<td>48.80</td>
<td>35.80</td>
<td>45.80</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Percent of children who cry a lot</td>
<td>38.50</td>
<td>22.70</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Percent of children who are high-strung, tense or nervous</td>
<td>27.10</td>
<td>30.70</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Percent of children who are never restless or overly active</td>
<td>42.20</td>
<td>58.70</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Percent of children who are anxious or frightened</td>
<td>35.90</td>
<td>31.80</td>
<td>46.00</td>
<td>11.30</td>
<td>n/a</td>
</tr>
</tbody>
</table>

n/a = Information is not available.
Source: Adapted from Phipps (1999a, 101-116).
Additional research by CPRN on comparative family policy was specifically designed to examine the possible link between public values and the policy strategies for children and families that have been adopted in eight countries: Canada, the United States, the United Kingdom, Norway, the Netherlands, France, Germany and Sweden.⁴ There was a high degree of convergence across countries in the values held about gender roles and the impact of dual-earner families on children. Despite these similarities, there was notable divergence in actual behaviour, public policies, and the level of public policy support for families.

Citizens in all the countries studied expressed, to different degrees, conflicting values related to balancing employment and family life. For example, conflicting values were expressed as an open-mindedness about mothers’ employment, which stands in stark opposition to stated concerns about the consequences for children of mothers’ employment. However, the level of public support for government intervention appears to be a marker for the extent to which policies have been created to help parents balance these dual roles.

Public support for government intervention to support families appears to lead to more policy action, despite parents’ mixed feelings about balancing employment and family life. In addition, countries that pursue a more broad-based approach to policy and program delivery have superior records related to child outcomes than countries that target support only to certain groups. Further, the allocation of resources through social transfers appears to have a much greater effect on alleviating child poverty than does lowering family taxes.

It may be true that changes to demographic circumstances lead to policy responses. However, it may be equally true that some social and demographic circumstances are the result of policy. For example, low rates of female labour force participation may reflect policies as diverse as high rates of taxation for married women, social transfer payments designed to support mothers to stay at home to care for their children, lack of accessible child care or limited access to high quality child care. Similarly, high rates of labour force participation among mothers of young children may occur despite both lack of public support and high levels of parental guilt and anxiety about the benefits to young children of having a mother who is not in the labour force.

As this preliminary research has shown, policy choices and the values that support them appear to affect the level and kind of support provided to families with children and the outcomes that children achieve. In short, an excellent social safety net is of value for those who use it and for those who know they can use it if need be.

Source: Abstracted from Phipps (1999a).
### Table 3-4

**International Approaches to Child and Family Policy**

Key: n/a = Information is not available.
EI = Employment Insurance (Canada).
None = The country does not have a policy for that criterion.
X = Limited policies in place.
XX = Strong policies in place.

<table>
<thead>
<tr>
<th>Family policy strategies</th>
<th>Canada</th>
<th>United States</th>
<th>United Kingdom</th>
<th>Norway</th>
<th>Netherlands</th>
<th>France</th>
<th>Germany</th>
<th>Sweden</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children are primarily a <em>family</em> responsibility or both a <em>social</em> and a <em>family</em> responsibility(^1)</td>
<td>Family</td>
<td>Family</td>
<td>Family</td>
<td>Both</td>
<td>Both</td>
<td>Both</td>
<td>Both</td>
<td>Both</td>
</tr>
<tr>
<td>Children aged 3 to 6 in publicly funded childcare or school(^2)</td>
<td>43%</td>
<td>n/a</td>
<td>43%</td>
<td>40-50%</td>
<td>71%</td>
<td>99%</td>
<td>78%; 100%</td>
<td>72%</td>
</tr>
<tr>
<td>Paid maternity leave(^3)</td>
<td>For those eligible, 15 weeks paid at 55% of EI insured earnings; unpaid varies by province</td>
<td>None</td>
<td>18 weeks paid; additional weeks unpaid</td>
<td>n/a</td>
<td>16 weeks at 100% of earnings</td>
<td>16 weeks at 84% of wages(^4)</td>
<td>14 weeks at 100% of income</td>
<td>Merged into parental leave</td>
</tr>
<tr>
<td>Parental leave(^5)</td>
<td>For those eligible, 10 weeks paid at 55% of EI insured earnings; unpaid varies by province (general family leave)</td>
<td>12 weeks unpaid</td>
<td>None</td>
<td>42 weeks at 100% or 52 weeks at 80% of earnings</td>
<td>9 to 27 weeks are available but not guaranteed</td>
<td>Flat rate benefit until child is three years old;(^6) unpaid until child is three years old</td>
<td>Flat rate benefit until child is three years old</td>
<td>Up to 18 months, first 12 at 80% of earnings</td>
</tr>
<tr>
<td>Family leave(^7)</td>
<td>Short, only in 3 provinces</td>
<td>Unpaid</td>
<td>None</td>
<td>Paid</td>
<td>None</td>
<td>Unpaid</td>
<td>None</td>
<td>Paid</td>
</tr>
</tbody>
</table>
Table 3-4 (cont’d)

Key:  
   n/a = Information is not available.  
   EI = Employment Insurance (Canada).  
   None = The country does not have a policy for that criterion.  
   X = Limited policies in place.  
   XX = Strong policies in place.

<table>
<thead>
<tr>
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<th>United Kingdom</th>
<th>Norway</th>
<th>Netherlands</th>
<th>France</th>
<th>Germany</th>
<th>Sweden</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual subsidies or tax relief for child care costs¹</td>
<td>XX</td>
<td>XX</td>
<td>X</td>
<td>XX</td>
<td>X</td>
<td>XX</td>
<td>X</td>
<td>None</td>
</tr>
<tr>
<td>Guarantee of part-time employment for parents²</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>XX</td>
<td>XX</td>
<td>X</td>
<td>X</td>
<td>XX</td>
</tr>
</tbody>
</table>

1 Data are from O’Hara (1998a).  
2 Data are from about 1995, depending on the source. Data for Norway are from Phipps (1999a). Other European data are from the European Union Network on Child Care (1996). Canadian data are from White (1997) and are only for children whose mother is employed or studying. Data for the United Kingdom are only for three- and four-year-olds since compulsory education begins at age five. The two entries for Germany reflect the recent unification. The lower number is for the former West Germany, the higher for the former German Democratic Republic.  
3 Data are from Rostgaard and Fridberg (1998).  
4 Data are for a “basic daily wage” and leave increases to 24 weeks for the third child and subsequent children.  
5 Data are from Rostgaard and Fridberg (1998).  
6 Only available to parents with two or more children.  
7 Data are from the European Union Network on Child Care (1996).  
8 Data are from O’Hara (1998a).  
9 Data are from O’Hara (1998a).  

As Table 3-4 illustrates, however, many countries already surpass this minimal entitlement, with their mixes of paid maternity and parental leave. Neither paid nor unpaid parental leaves are universally available in North America. Nor are paid maternity leaves available to all mothers to enable them to recover from childbirth and care for their babies. Only some fathers, as well as only some mothers, can take paid parental leave to stay home with their newborns. In addition, taking unpaid leave results in a substantial loss of income and, potentially, being forced to leave paid employment for a time. This is despite the fact that we have known for more than a century that babies thrive better when they are breast-fed for extended periods and we know today that good parenting practices require time during which stress is minimized.

As well, in the 15 European Union countries, depending on the country, anywhere from 60 to 99 percent of all children aged three to six are in publicly funded child care programs. This high rate of participation holds true even among countries where raising children is seen as primarily a family, rather than a shared family and social responsibility. Thus it includes Italy, with 91 percent of young children in publicly funded child care, Spain with 84 percent, West Germany with 78 percent, and Austria with 75 percent. France, which values parental choice in child rearing, has fully 99 percent of its children aged three to six in the public school system – but Italy’s 91 percent does not lag far behind. Access to publicly funded child care in North America is nowhere near these levels. The overall conclusion that one might draw from these comparisons is that neither child outcomes nor levels of supports for the three enabling conditions of child well-being and healthy development are as high in Canada as they could be.

Values research found consensus in all the countries studied around the need to have dual-earner families, yet the rationale for this belief differed. For example, two incomes were thought to be needed to meet high housing expenses in Britain, to maintain a reasonable quality of life in Sweden, and to keep some families above the poverty level in Canada and the United States. Despite contrary preferences, many people thought they had “no choice” but to have both parents employed. There was also strong consensus that both spouses should contribute to household income, but again for different reasons. In North America, issues of individual fulfillment and women’s rights in the workplace frame this belief, whereas a strong belief in gender equality at home and in the workplace supports this notion in the Scandinavian countries.

Despite these differing beliefs, men and women in all the countries studied worry that young children in particular are likely to suffer if both parents are employed. Whether employment for both parents is supported as a matter of principle or on the basis of need, citizens retain a strong interest in and concern about meeting children’s needs. The ways in which governments have responded to these concerns in the eight countries studied are framed as “models of investment” in Table 3-5.

These important learnings about the development of policy to support young children and their families in different countries spawned an interest in examining differences in policy development within Canadian provinces. Therefore, CPRN studied the
development of child and family policy federally and in six representative Canadian provinces. The key findings of this research are reported in the following chapter.

### Notes

1. Unless otherwise noted, all data in Sections 3.1 through 3.6 are abstracted from Phipps (1999a).

2. The analysis in Phipps (1999a) drew on a wide range of data sources but focussed on the original analysis of microdata from the World Values Study, the Luxembourg Income Study and five microdata sources that focus on child health and well-being: (1) the National Longitudinal Survey of Children and Youth for Canada, (2) the National Survey of Children for the United States, (3) the National Child Development Study for the United Kingdom, (4) Statistics Norway Health Survey for Norway, and (5) the Stiemetz Archive Social Inequality and the Health of Children Survey for the Netherlands. While microdata on outcomes were collected by individual countries for their own purposes, some comparison of particular outcomes is possible and there is considerable overlap in content for Canada, the United States and the United Kingdom.

3. The complex association between poverty, hunger, poor child health outcomes such as asthma, and maternal smoking (which is a known stress reducer and appetite suppressant for disadvantaged women) is discussed in McIntyre, Connor, and Warren (1998).

4. Unless otherwise noted, all data in Section 3.7 are abstracted from O’Hara (1998a).
As shown in Chapter 3, European countries go beyond simply providing income support to families with children. They also offer an array of services and supports (such as child care and preschool programs, flexible employment arrangements, and rights to paid and unpaid leave) that make a difference to families seeking to balance their family and employment responsibilities. In other words, these countries also invest directly in effective parenting and supportive community environments. In response to the restructured employment patterns, restructured families, and changing approaches to policy described in Chapter 1, governments in Canada have undertaken major reforms in recent years in the ways they address the needs of families and organize their income security programs.

Canadian governments have had to decide whether to take into account the fact that families with young children assume financial and other burdens that Canadians without young children do not bear. In addition, governments have had to decide how to deal with the fact that 1.5 million children are poor, either because their parents are not employed or because they are not earning enough to lift the family out of poverty. These policy challenges have provoked a range of responses from governments at all levels.

New forms of income redistribution are emerging along with programs for intervention in early childhood. These substitute in many ways for the emphasis of post-1945 policy on meeting the needs of workers who experienced temporary unemployment or were considered unemployable. In developing these initiatives, governments have taken new directions in the design of public policies, which break with most of the traditions and precedents of past decades. At the same time, the last few years have seen a frontal assault on the problems of public finance. With the deficit and debt better under control, there is now room for innovation in policy design, perhaps more than many analysts have acknowledged to date.

Since jurisdiction for many aspects of child and family policy in Canada rests with provincial governments, CPRN undertook an examination of the development of child and family policy and associated investment strategies in six provinces: British Columbia, Alberta, Saskatchewan, Ontario, Quebec and New Brunswick. The choice of provinces was mediated by funding constraints, but they are nonetheless a good representation of the situation. The six chosen span the country, include large and small population bases, have a mixture of urban and rural communities, and enjoy varying degrees of prosperity.

This research has provided a solid understanding of the changes taking place in Canada’s welfare state and the types of responses both the federal government and these six provinces have made to child and family policy over time. The key research
findings are described below. Although a direct link from these new approaches to policy has yet to be made to child outcomes, the research on child outcomes described in Chapter 2 and the patterns unveiled in the international comparisons presented in Chapter 3 strongly suggest that it is only a matter of time before this can be done with confidence.

4.1 Income Security for Families with Children: The Legacies of Earlier Programs

As early as the inter-war period and during the 1940s, social policy thinkers understood that labour and other markets were not sensitive to family needs. Wage-setting did not take the number of a wage earner’s dependents into account. A wage was a wage, no matter how many mouths it had to feed. Therefore, beginning in 1918, a taxpayer with dependents could reduce his (and usually it was “his”) taxable income by claiming a basic tax exemption. In addition, Mothers’ Allowances were one of the first public social assistance programs established in the Canadian provinces. Before Unemployment Insurance was instituted and well before needs-based assistance programs were put into place, mothers of young children who had insufficient means of support could receive a modicum of assistance from the government to help them raise their children because they were widows or otherwise “deserving.”

Despite recognition via the income tax exemption of the extra costs of raising a family, a serious distributional problem remained in these years. Studies found that even in the midst of the booming wartime economy with full employment, only 44 percent of families of wage earners (except those in agriculture) had sufficient income to guarantee a nutritionally sound diet to the members of their family (Guest, 1985, 129-30). In addition, Canada’s infant mortality rate was the highest among the United Kingdom and the Commonwealth’s White Dominions.

Therefore, in the midst of World War II, Leonard Marsh’s wide-ranging vision of a world at peace included a proposal to pay family allowances to cover the basic needs of all Canadian children. Family allowances, scaled to the number of children in a family, were supposed to compensate parents for the extra costs incurred because they were raising a family. The Marsh Report’s initial proposal was to develop a single benefit paid to families with children, by consolidating all supplements available for children in other programs (e.g., mothers’ allowances, workmen’s compensation, public assistance). This universal family benefit would be calculated on the basis of the real costs of raising a child.

This policy coherence was not to be, primarily for constitutional reasons since most of the social programs were within provincial jurisdiction and for political reasons, since the Conservatives did not agree (Guest, 1985, 133). The family allowance regime that was created was much more restricted: $200 million on a national income of $12 billion. Nonetheless, despite being only 2 percent of government spending, the $200 million exceeded all welfare expenditures by all units of government in Canada, including public health and unemployment aid, in any typical year from 1936 to 1939 (Guest, 1985, 130). At $5.95 per month for a family with two children, the rate was about 5 percent of an average monthly family income (Dominion Bureau of Statistics, 1950 and 1951).

This first universal program, important as it was at the time, lacked the vision and overarching principle of the Marsh Report, which had intended to cover many of the extra costs associated with raising the next generation of Canadians. Nor was the rest of the welfare system redesigned at the end of the war. It remained a piecemeal set of programs designed to combat specific risks such as unemployment, old age, sickness, and unemploymentability.

Over the next 25 years, wage increases generated by productivity growth and post-war development put more money into the pockets of many workers so that a rising percentage were able to provide adequately for their families with their salaries.
Attention to social problems shifted to the unemployed and unemployable, and the universal principle of Family Allowances was downplayed. Later on, as we shall see, the principle of universality was abandoned and Family Allowances were replaced by tax measures targeted at reducing poverty.

In the first post-war decades, Canada’s social policy regimes, like those of most other countries, conceptualized a clear border between being in the labour force and being out of it. In the latter situation, there were several possible sources of income for adults. First, one could be dependent upon another earner, as was the case for stay-at-home wives. Second, one could receive either Unemployment Insurance as a bridge until the next job or a retirement pension to recognize past contributions. Third, one could receive social assistance. Since Canada’s liberal welfare state was always on the low end of generosity compared to many other countries, social assistance was usually the least generous in terms of levels of income redistribution and services provided (Esping-Andersen, 1990; O’Connor, Orloff and Shaver, 1999).

Some practices of providing income security, although not necessarily the principles, began to change in several significant ways in the late 1960s and early 1970s in response to a new policy environment and changing family behaviour. The establishment of the Canada Assistance Plan (CAP) by the federal government dramatically altered the policy environment of all provinces in 1966. CAP targeted low-income Canadians through a cost-sharing program wherein the federal government provided matching funds to cover 50 percent of the expenses incurred by the provinces. It marked a crucial turning point in the policy stories of all provinces.

The introduction of CAP institutionalized a major shift in thinking about income security by eliminating the previous categorical approach, wherein claimants had to fit into a particular category (e.g., blind, disabled, aged). One was eligible for CAP’s co-financed programs on the basis of need, whatever the reason for being poor. In addition, CAP also began to blur the distinction between employment and non-employment by allowing the working poor to benefit from some of its programs.

Another important consequence was that the public provision of child care appeared on the political agenda. CAP funding could address the child care needs of parents who were receiving, or at risk of receiving, social assistance. As the next section documents, Canada’s approach to child care has been profoundly shaped by the fact that so much of its publicly provided and publicly financed child care was located in the policy realm of social assistance (Mahon, 1997).

In addition, in Canada as well as almost everywhere else in Western Europe and North America (see Chapters 1 and 3), the labour force participation rate of mothers with young children skyrocketed. In 1965, 31 percent of Canadian women were in the paid labour force. By 1996, the statistic stood at 65 percent. For women with children aged three to five, the number rose from 40 to 70 percent during this period. This change in labour market behaviour raised obvious challenges about who would care for preschool children.

Labour market and family changes raised an even broader question. They put the issue of public versus private responsibility for children on the agenda. The question became: Is there any public responsibility for preschool children or is the responsibility for high quality child care, whether parental or nonparental, solely a family one?

These two types of policies reflected quite different philosophies about supporting families with children. The tax exemption for dependent children and Family Allowances were both universal and explicitly directed towards families. CAP was targeted to low-income Canadians, including those with children. However, its regulations about services, in particular its subsidies for child care, had longstanding effects on the way that policymakers would address the needs of families who sought to balance the competing claims of employment and family life.
This chapter begins by following the story of child care services, including the lingering effects of CAP, and then turns to other policy instruments. After that, it returns to an examination of the story of income security, following the shift towards the range of child benefits that eventually replaced the Family Allowance regime, the universal tax exemption, and the social assistance programs funded under CAP.

4.2 Balancing Family Life and Employment: The Legacies of CAP

The CAP rules allowed for the funding of certain services, including day care, that could be defined as facilitating labour force participation. It was possible to provide not only individual subsidies but also operating grants to child care centres, as long as they were nonprofits. Access to individual subsidies was income tested, as required by CAP guidelines, while operating grants to child care centres depended on identifying a contribution to reducing the risk of dependency on government assistance. The number of child care centres receiving CAP funding rapidly increased in the 1970s, setting down the basic institutional infrastructure of nonparental, regulated child care for low-income Canadian families.

In Alberta, where municipalities had already been providing Preventive Social Services programs, the new CAP funds allowed them to extend their child care services as a way of “preventing welfare dependency.” In Ontario, too, where since 1946 the Day Nurseries Act had been regulating day care programs, the new CAP funds encouraged the expansion of child care as a “welfare service for those in social or financial need.”

This funding philosophy legitimated the political actions of community groups that sought to develop child care services in poor neighbourhoods and to use child care centres as focal points for community development. Extra funds were made available for such initiatives through the federal government’s Local Initiatives Projects. Relatively high cut-off points for defining need in some provinces meant that subsidies could reach upward towards the middle class. Further, all children in a child care centre, regardless of family income level, could benefit from the centre’s operating grant. Thus, in the first decade of CAP, there was a flurry of child care initiatives, as provinces extended services and set up regulatory mechanisms.

The origins in CAP funding of public funding for day care centres is still visible in the Canadian child care system, which remains targeted rather than universal. Low-income and middle-income families have distinctly different options for child care except in Quebec, and there only since 1997. All other provinces provide subsidies only to low-income parents, paid directly to the child care provider. In some cases, such as New Brunswick, subsidies for low-income parents are virtually the only form of public funding for child care. In other provinces, individual subsidies are combined in the policy mix with substantial operating (or other) grants to providers.

The result is a deep income cleavage. In the mid-1990s, 35 percent of families on social assistance had children in centre-based and regulated care, while only 19 percent of other families with a mother who was employed or studying had children who were enrolled. Fully 31 percent of children in families with an income under $30,000 were in a centre, compared to 17 percent of children in families with higher incomes. In other words, middle-class parents have difficulty gaining access to the form of care widely considered to be the best quality – regulated care in a child care centre with a preschool developmental and educational program.

Other legacies of CAP are found in the current structure of the child care system. The CAP funding regime set down two requirements. Money could go only to nonprofit operators and subsidies could go only to licensed caregivers. In 1995, when CAP was abruptly and unilaterally terminated by Ottawa and replaced with the Canada Health and Social
Transfer (CHST), these national standards for child care disappeared.

Divergence among the provinces subsequently increased. Nonetheless, the system has not been completely remade. Some provinces maintained CAP-like structures, with Quebec’s recent reforms remaining truest to the original 1970s thinking that the way to deliver high quality preschool care was in nonprofit centres. The infrastructure developed during the CAP years lives on, in the way services are provided and, particularly, in the way the child care issues are debated.

With CAP funding, nonprofit or municipal centres expanded rapidly and, because for-profit providers were ineligible for CAP operating funds, the provinces had strong incentives to invest their 50-cent dollars in nonprofits. This emphasis on nonprofit provision is a hotly debated contemporary controversy over the advantages and disadvantages of nonprofit versus commercial provision of child care.

At one end of the spectrum are Saskatchewan and Quebec. Saskatchewan has a long tradition of favouring nonprofit private provision rather than public provision, in the name of community. This consensus exists across the political divide of New Democratic and Conservative parties and has produced a day care system that is publicly funded but privately delivered. In 1998, fully 98 percent of regulated child care in Saskatchewan was provided by a nonprofit operator. Through its current Action Plan for Children, the province is investing substantial amounts in both Child Care Grants, especially for children at risk, and Child Care Wage Enhancement. However, these are only available to centres and providers registered as nonprofits. Further, Saskatchewan does not allow low-income subsidies to be paid to commercial operators.

After the 1994 election in Quebec, the Office des services de garde à l’enfance ceased issuing new licenses for day care centres because the Minister of Education was concerned about the rapid increase in commercial operators. The 1997 White Paper, Les enfants au coeur de nos choix, would have effectively cut them out of the new system. After a mobilization by commercial operators, and mounting fear that the system could not absorb the loss of spaces their withdrawal of services might bring, a compromise was reached.

Quebec’s commercial operators are encouraged to convert their governance structure to a nonprofit corporation and to join the province’s network of Early Childhood Centres. Those that choose not to do so, but which were in existence before the reform process began, are eligible for subsidies to close the gap between the $5 per day parents in Quebec pay for child care and the actual cost of care, as calculated by the province. Commercial operators are not eligible for operating and infrastructure grants, however.

At the other end of the spectrum is Alberta, which has supported commercial operators on an equal footing since 1980 when the Conservative government, under pressure from commercial operators, made direct operating grants available to commercial as well as nonprofit and municipal operators. In Ontario, the 1996 report Improving Ontario’s Childcare System (the Ecker Report) recommended allowing for-profit operators access to a wider range of provincial grants. Government policy has since moved in the direction of what it terms “equal treatment” for the private and nonprofit sectors.

Advocates line up on different sides of this issue. The choice of nonprofits is obvious to those who push for greater community and parental involvement, as well as for democracy, because nonprofits are governed by parental boards. In addition, the fear is that commercial operators will be more concerned with the bottom line than with high quality care and child development. On the other side of the debate are commercial providers, who see unfair advantages going to their competitors and who argue that lack of provincial funding makes it difficult for them to provide high quality services.

The form of child care provision, be it nonprofit or commercial, does not predict either the amount
of child care that will be available or the quality of
that care. With respect to coverage, both Quebec
(with four of every five spaces in nonprofit care)
and British Columbia (with three of five spaces in
nonprofit care) had the same level of coverage in
1995 as Alberta (with more than three of every five
spaces in a commercial centre). Related to the
quality of care, in a system dominated by nonprofit
care, Quebec’s allowable staff-to-children ratio in
1995 was 1 to 8, the highest in the country. In contrast,
with a system dominated by commercial care, Alberta
was in the middle of Canada’s 12 jurisdictions with
an allowable staff-to-children ratio of 1 to 6.

The same confusion does not exist about the
choice between formal and informal care. Child
development experts as well as advocates for child
care have marshalled an impressive body of evi-
dence to demonstrate the importance of educational
stimulus and socialization for improving outcomes
for young preschool children. The pay-off comes in
the form of school readiness and success in the
early grades. In turn, lower rates of school failure
provide longer-term benefits in the form of lower
rates of delinquency in adolescence.

Quality has been equated in the eyes of many
with regulation and licensing. There is no guarantee
that regulation will translate into high quality
preschool programs. However, regulation does im-
prove the odds. High quality child care incorporates
licensing, optimal child-staff ratios, and environ-
ments supportive of healthy child development with
“trained child care workers who are receiving ade-
quate wages, so as to improve job satisfaction and
reduce staff turnover (increasing the trust and bond-
ing of children with workers, an important consid-
eration during the years of early development when
children are particularly vulnerable).” Without gov-
ernment regulation and licensing, parents may not
be able to monitor specific conditions or the quality
of the service they are purchasing (Bach and

Rising demand is not being adequately met by
regulated centre-based or family day care. Most
children are in unregulated care, the most common
form of remunerated child care in Canada across all
age groups. According to NLSCY data, approxi-
mately 34 percent of children under the age of 12
who were not cared for by their parents were in an
unregulated family child care arrangement (Beach,
Bertrand, and Cleveland, 1998, 123). Other data
indicate that there are only enough spaces in regu-
lated child care to accommodate about 7.5 percent
of all children under age 12. This means that many
children are looked after by a babysitter, a friend, a
neighbour or someone else hired by their parents
while they work or study.

Efforts to move social assistance parents into the
paid labour force often include a subsidy for child
care services, which may sometimes be directed to
informal and unregulated caregivers. British Columbia
allows its child care subsidies to be used in the
unregulated sector and Ontario encourages this ap-
proach. Similarly, New Brunswick has reserved
400 child care subsidies for unlicensed child care to
be used by parents whose jobs or school schedules
make it impossible to access the services of a
centre.

No reliable figures are available about these
programs, but experts term them “not an insignifi-
cant portion of the total spending on child care”
although they do not appear in what is usually
designated as the child care budget. The federal
government also includes funds for this type of
dependent allowance in its Employment Insurance
sponsored training programs. Since recipients are
encouraged to use a form of child care they can
sustain after they leave the program, this tends to
discourage the use of more costly regulated care
(Beach, Bertrand, and Cleveland, 1998, 30).

In some cases, accessibility is an issue and par-
ents opt for unregulated care in order to keep their
children close to home or with siblings and friends.
In other cases, parents may prefer non-institutional
care arrangements although these can be found in
regulated family day homes as well as in unregu-
lated settings. A key driver, however, is one of cost.
Informal care, much of it in the black market, is
simply cheaper than formal care provided by
trained early childhood educators in specially equipped centres or well-supplied family day care settings.

4.3 Current Policy Instruments for Balancing Employment and Family Life

Balancing family life and employment is always a challenge and demands a decision by parents about how to do it. While the labour force participation of mothers with young children doubled over the last three decades, the issue of who should bear the rising costs associated with this has still not yet been adequately addressed.

The costs of imbalance in the relationship between employment and family are multiple and interrelated. There are costs to individual workers since levels of stress are mounting steadily and work time lost due to stress is on the rise. There are costs to employers, in terms of lost investments in training and withdrawn experience. Overloaded workers become absentees, consider quitting altogether, or seek more supportive working environments and sympathetic managers (MacBride-King, 1999). There are also costs to children. Research finds that while having two employed parents is not a problem, lack of parental time and involvement is clearly a negative influence on children’s physical and social well-being, on their academic performance (CCSD, 1999a), and on the consistency and quality of parenting (Bertrand et al., 1999, 3).

Parents cope with the “time crunch” in a variety of ways. Some worry constantly, but most parents cannot afford to stop working, even in cases where they have two incomes. Overall, average family income fell by 5 percent in the first half of the 1990s (CCSD, 1999b, 7). Nor is leaving employment an option in single-parent families or for those concerned about promoting real equality between women and men. Some parents do, however, leave their jobs or restrict their careers in order to stay home: 14 percent of workers surveyed in 1999 had left a job because of home and employment conflicts, while 32 percent turned down or did not apply for a promotion (MacBride-King and Bachmann, 1999, 5). Other parents work in shifts, in order to have a parent at home around the clock, with all the potential costs that has for the relationship between the adults (CCSD, 1999a).

Supporting Child Care to Help Strike a Balance

One way of reducing stress and worry for parents, and of providing high quality supplements to parental time, is to make adequate supplies of high quality child care available, illustrating that a single policy instrument can be used to address more than one policy goal. High quality child care services allow parents who work or study to be confident that their children are being cared for well. In addition, the developmental content of quality child care complements the parenting provided evenings and weekends at home.

In Canada, despite clear evidence that mothers of young children play an essential role in today’s labour markets, the number of available child care spaces nowhere near matches the number of children who need one. As Table 4-1 documents, regulated child care spaces are available to an average of only 7.5 percent of all children under age 12 (whether or not both parents are employed), ranging from a low of 3.6 percent in Saskatchewan to a high of 10.6 percent in British Columbia.

Given this situation, many parents must still resort to the hit or miss option of unregulated, informal care, specifically babysitters, neighbours, friends, families or even only slightly older siblings. In large part, this is because no place is available. Another contributing factor is that paying the full cost of child care services remains a very expensive proposition for middle- and upper-income parents. Outside Quebec (since 1997), “an average-income family with two preschool children would have had to spend approximately $10,000, or about 23 percent of its gross annual income, on regulated care” (Beach, Bertrand, and Cleveland, 1998, 28).
## Table 4-1
Child Care in Six Provinces, 1998

<table>
<thead>
<tr>
<th>Child care facts, 1998</th>
<th>British Columbia</th>
<th>Alberta</th>
<th>Saskatchewan</th>
<th>Ontario</th>
<th>Quebec</th>
<th>New Brunswick</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total children aged 0-12</strong></td>
<td>651,202</td>
<td>586,947</td>
<td>195,202</td>
<td>1,983,902</td>
<td>1,224,348</td>
<td>121,434</td>
</tr>
<tr>
<td>Children aged 0-2</td>
<td>141,667</td>
<td>117,759</td>
<td>39,954</td>
<td>430,855</td>
<td>248,957</td>
<td>26,234</td>
</tr>
<tr>
<td>Children aged 3-5</td>
<td>147,678</td>
<td>122,885</td>
<td>43,955</td>
<td>462,473</td>
<td>275,529</td>
<td>26,977</td>
</tr>
<tr>
<td>Children aged 6-12</td>
<td>361,857</td>
<td>346,303</td>
<td>111,293</td>
<td>1,090,574</td>
<td>699,862</td>
<td>68,223</td>
</tr>
<tr>
<td>Proportion of children 0-12 with employed mothers</td>
<td>62.8%</td>
<td>67.3%</td>
<td>68.1%</td>
<td>66.9%</td>
<td>63.9%</td>
<td>63.0%</td>
</tr>
<tr>
<td><strong>Total full-time and part-time spaces in centres, by category:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full-time infant/toddler spaces</td>
<td>2,965</td>
<td>17,181</td>
<td>1,077</td>
<td>20,300</td>
<td>5,844</td>
<td>n/a</td>
</tr>
<tr>
<td>Full-time preschool spaces</td>
<td>13,540</td>
<td>23,347</td>
<td>2,893</td>
<td>106,200</td>
<td>54,697</td>
<td>n/a</td>
</tr>
<tr>
<td>Full-time special needs spaces</td>
<td>742</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Part-time out-of-school spaces</td>
<td>16,404</td>
<td>14,529</td>
<td>919</td>
<td>40,590</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Occasional spaces</td>
<td>2,470</td>
<td>included</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Total spaces in centres, by type:</strong></td>
<td>51,621</td>
<td>40,528</td>
<td>4,889</td>
<td>148,947</td>
<td>82,311</td>
<td>n/a</td>
</tr>
<tr>
<td>Sponsored for-profit spaces</td>
<td>20,495</td>
<td>23,735</td>
<td>48</td>
<td>28,191</td>
<td>23,935</td>
<td>n/a</td>
</tr>
<tr>
<td>Sponsored not-for-profit spaces</td>
<td>31,126</td>
<td>16,793</td>
<td>4,815</td>
<td>120,756</td>
<td>58,376</td>
<td>n/a</td>
</tr>
<tr>
<td>Municipal</td>
<td>n/a</td>
<td>n/a</td>
<td>26</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Proportion of nonprofit spaces</td>
<td>60.3%</td>
<td>41.4%</td>
<td>98.5%</td>
<td>81.1%</td>
<td>70.9%</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Total regulated spaces:</strong></td>
<td>68,978</td>
<td>47,033</td>
<td>7,124</td>
<td>167,090</td>
<td>82,302</td>
<td>9,204</td>
</tr>
<tr>
<td>Total spaces in centres</td>
<td>51,621</td>
<td>40,528</td>
<td>4,889</td>
<td>148,947</td>
<td>82,311</td>
<td>n/a</td>
</tr>
<tr>
<td>Total family day care spaces</td>
<td>17,357</td>
<td>6,505</td>
<td>2,235</td>
<td>18,143</td>
<td>21,761</td>
<td>156</td>
</tr>
<tr>
<td>Proportion of regulated spaces available for children aged 0-12</td>
<td>10.6%</td>
<td>8.0%</td>
<td>3.6%</td>
<td>8.4%</td>
<td>6.7%</td>
<td>7.6%</td>
</tr>
<tr>
<td><strong>1998 annual child care expenditures by provincial governments</strong> (000’s)</td>
<td>$190,530</td>
<td>$54,297</td>
<td>$15,746</td>
<td>$492,500</td>
<td>$289,860</td>
<td>n/a</td>
</tr>
<tr>
<td>Annual per child expenditures by province for children aged 0-8</td>
<td>$292.58</td>
<td>$92.51</td>
<td>$80.67</td>
<td>$248.25</td>
<td>$236.75</td>
<td>n/a</td>
</tr>
<tr>
<td>Number of subsidized children</td>
<td>34,000</td>
<td>11,400</td>
<td>3,634</td>
<td>73,400</td>
<td>38,070</td>
<td>1,568</td>
</tr>
</tbody>
</table>
Table 4-1 (cont’d)

n/a = Information is not available.


b In Ontario, space allocation by age for day care centres also includes family day care spaces.

c Ontario expenditures are for regulated child care only. Municipalities spent an estimated $115 million on cost-sharing in addition to the provincial expenditure of $492.5 million. Further, Ontario Works spent $65 million on both regulated and unregulated child care.

d In Quebec, subsidies are decreasing with the implementation of its new family policy providing $5/day child care services. As of September 1998, subsidies were no longer available for three- to four-year-old children. By 2001, the new policy will apply to all children and, as a result, there will no longer be any subsidized spaces in Quebec.

1 Percentage was calculated using 1998 data from Statistics Canada’s Labour Force Survey, provided by the Childcare Resource and Research Unit.

2 Infant/toddler spaces are defined as under 3 years for British Columbia, 0-18 months for Alberta, not defined for Saskatchewan, defined as 0-30 months for Ontario, and not defined for Quebec or New Brunswick.

3 Preschool spaces are defined as over 3 years for British Columbia, over 18 months for Alberta, not defined for Saskatchewan, defined as 31 months to 5 years for Ontario, and not defined for Quebec or New Brunswick. British Columbia also has 15,500 part-time preschool spaces.

4 Part-time out-of-school spaces are not defined but assumed to mean before- and after-school care as well as holiday care.

5 Provincial expenditures are for the years 1997-98 for British Columbia, Alberta and Saskatchewan, estimated for 1998 for Ontario, and 31 March 1998 for Quebec, and unavailable for New Brunswick.

6 Subsidies are for the years 1997-98 for British Columbia, Alberta and Saskatchewan, estimated for 1998 for Ontario, and for 1998 for Quebec and New Brunswick.

Source: Statistics Canada (1999a) and adapted from Childcare Resource and Research Unit (1999).
This is by no means a new problem. There had been pressure in the 1970s for public support for child care for all parents, not only the needy. At its founding meeting in 1965, the Fédération des femmes du Québec included public child care on its list of six principal demands. The Report of the Royal Commission on the Status of Women, released in 1970, similarly stated “the time is past when society can refuse to provide community child care services in the hope of dissuading mothers from leaving their children and going to work” (as quoted in Pence, 1993, 65).

Therefore, the federal government started a second track, alongside CAP, to help defray the costs of child rearing incurred by employed parents, whether in lone-parent or two-parent families, and to help parents balance their work and family lives. The Child Care Expense Deduction was introduced in 1972. It permits parents who incur child care expenses in order to be employed or study to deduct some of the costs from their federal income tax, as described in Box 4-1. The deduction must be taken by the parent with the lower income, who in the vast majority of cases is the mother.

The Child Care Expense Deduction is now the only universal, non-income-tested program available to Canadian parents that recognizes the costs to families of having and raising children. About 800,000 families claimed the deduction in 1996, when the estimated cost was about $335 million in forgone revenue to Ottawa and another $194 million to the provinces. The maximum receipted deduction is now $7,000 for a child under 7 and $4,000 for children aged 7 to 16. Being a tax deduction, the value to parents varies by tax bracket. It provides greater federal and provincial tax savings for higher income families than it does for lower income families. Higher income earners generally have higher marginal tax rates so a deduction against their taxable income leads to greater tax benefits.

In 1997, Ontario created the Ontario Child Care Tax Credit, which provides a maximum $400 deduction and is administered by Revenue Canada. Quebec has had its own child care expense deduction for a number of years. It is being phased out for many parents, however, as the province moves towards the flat rate payment of $5 per day for child care. Quebec’s Early Childhood Centres, family day care providers, and after-school child care programs no longer issue tax receipts to parents paying the flat rate, which makes parents’ fees ineligible for either a provincial or federal tax deduction.

Among the six provinces analyzed for this project, only Quebec has directly confronted the financial dilemmas of all employed parents. As well as enabling social assistance recipients to enter and stay in the labour force, Quebec devised an innovative

Box 4-1
The Child Care Expense Deduction

The Child Care Expense Deduction (CCED) was recommended by the Carter Royal Commission on Taxation in 1966, introduced as part of the 1971 Income Tax Reform, and could be deducted for the first time in 1972. The intent of the CCED is to provide some tax fairness in the treatment of families who must purchase child care services, in comparison to those families who provide child care services themselves.

The principle behind the CCED is the same one that covers the costs of doing business. For example, a business person’s office expenses are deducted from their gross income and they are taxed on the remaining net income. We consider such a calculation fair because office expenses are a necessary cost of earning income and only the net income, after the costs of doing business are met, is available as disposable income. Similarly, parents must cover the costs of child care services in order to be employed and their disposable income is thereby reduced.

Stay-at-home parents who produce valuable child care and other services for their families are not taxed on the value of this work. Two-parent, single-earner families pay no taxes on the value of child care produced at home nor do they incur child care expenses in order to be employed. The Child Care Expense Deduction levels the playing field, by eliminating taxes on some of the amount spent for child care, which is a necessary expense when parents enter the paid labour force.

Source: Adapted from Krashinsky and Cleveland (1999).
plan to deliver and expand access to child care services. Once the plan is fully implemented, all of Quebec’s Early Childhood Centres (which house both traditional day care centres and have supervisory responsibility for family day care) will charge all parents a flat rate of $5 per day for care. When introducing these reforms in 1997, the government argued that it would not require new funds because it would, in particular, save by eliminating the generous birth bonuses that had been paid to encourage a higher birth rate. Therefore, it could afford to institute an integrated set of new programs.

For middle and upper income parents, this reform provided a huge reduction in out-of-pocket expenses. In one fell swoop, child care in Quebec became an inexpensive and universally accessible service. Parents greeted the policy change with enthusiasm. Thus demand is rapidly rising and sufficient spaces are not yet available. Nonetheless, the symbolic importance of the shift has captured the imagination of the public. From being a financial burden for many families, requiring careful calculations about how many days of care (if any) to purchase, regulated child care and preschool education has become affordable.

The policy shift in Quebec represents the only one of all the financial benefits linked to child rearing examined for this project that has become more general rather than more targetted. It is available to all citizens, rather than just to poor citizens and, therefore, is an expression of shared family and public responsibility for the well-being of children.

**Supporting Maternity and Parental Leaves to Help Strike a Balance**

Leaves from employment so that parents may provide their own child care is another way to enable parents to balance employment and family responsibilities and to recognize the costs of raising children. Opinion data reveal that parents want to spend time with their young children. Although 75 percent of Canadians (and 64 percent of Canadian women) believe that “in order to be happy in life, it is important to take a job,” 66 percent of Canadians (and 62 percent of Canadian women) also believe that “preschool children suffer if both parents are employed.” The issue of balancing employment and family life is clearly raised by such numbers.

Maternity, parental and family leaves are useful tools for helping parents balance employment with their family responsibilities. These tools are underdeveloped in Canada compared to the other countries reviewed in Chapter 3 (see Table 3-4). Paid parental leaves have been a central element of the policy mix in European countries confronted with a similar reliance on women’s labour force participation. Some leave programs are generous, paying almost wage replacement levels so that families can truly afford to choose to take time out to care for their young children without enduring excessive costs in terms of lost income. Others are more bare-boned, paying less than the minimum wage and restricting availability (Jenson and Sineau, 1998). Nonetheless, paid parental leave has become a key policy instrument everywhere.

As early as the first decade of this century, policymakers in many countries understood that many new mothers could not afford to withdraw from the labour force since the family needed the income (Jenson, 1986). Therefore, in order to avoid the well-documented negative consequences for maternal and infant health, policymakers in many countries agitated for paid maternity leaves. Since the 1960s, concerns about the labour force equality of women, as well as their well-being in the future, has prompted advocates and policymakers to insist that:

- Leaves be available to fathers as well as mothers, so that both parents can assume their parenting responsibilities
- Any leave provisions must include a guarantee of return to the same or equivalent job, and
- Pensions and other rights must be continued through the period of the leave.
Some such understandings of the needs of employed mothers in the 1970s led the provinces to adjust their labour standards legislation to guarantee most new mothers, even those not eligible for paid leave under Unemployment Insurance rules, the right to an unpaid maternity leave. Similarly, all provinces except Alberta instituted an unpaid parental leave. Such leaves are obviously useful because they usually incorporate some right to return to the same or an equivalent job. Nonetheless, being unpaid, they leave it to the family to absorb the costs of lost income. Moreover, in nine of the provinces, these leaves are short by international standards. In sharp contrast, Quebec has had a substantially longer unpaid leave provision since 1990, which was extended to a full year in 1997. While not resolving the problem of the immediate loss of income associated with a new baby, it does provide some protection to mothers who are the parents overwhelmingly likely to take such leaves.

Paid leaves were introduced by federal legislation in 1971 when a paid maternity leave was inserted into the Unemployment Insurance regime. This leave was later extended to cover 15 weeks of maternity leave and 10 weeks of paid parental leave, which can be shared between parents or taken by only one of them. Adoptive parents may also take paid parental leave for 10 weeks. If a newborn is ill and requires special care, both natural and adoptive parents may take an additional five weeks of paid leave.

During the 1990s, the proportion of new mothers who were eligible for and received maternity benefits held steady at 49 percent. However, the proportion of women of child-bearing age who were active in the labour market also remained essentially unchanged during this period, at just over 75 percent (Corak, 1999a).

Since the staged implementation of Employment Insurance in July 1996 and January 1997, maternity and parental benefits, calculated on the basis of income earned the previous year, have been capped at 55 percent of earnings or $413 a week, whichever is lower. While there is a supplement for parents with the lowest incomes, which makes the replacement rate higher, there is also a clawback for those with an annual income above $48,750. This means that many middle-income families face a huge financial burden when they choose to have a child since they may lose their second salary altogether at the very time that family expenses climb.

This benefit is limited in other ways, as well. Maternity leave is part of the Employment Insurance regime, which is designed to discourage the unnecessary use of benefits. Therefore, the first two weeks away from employment have never been paid. This means that families must absorb a total loss of the mother’s income just when their expenses rise. Unions and employers have sometimes recognized the limits of the public plan and have negotiated collective agreements that top-up the payments. While such advantages are important to the unionized workers who receive them, they do nothing to help the many thousands of non-unionized employees in Canada.

An additional limit follows from the replacement of Unemployment Insurance by Employment Insurance. Eligibility for the maternity benefits now depends on having worked 700 hours in the previous 52 weeks or since the last claim. While Employment Insurance now covers part-time workers (many of whom are women), the number of hours of qualifying work have been increased in a significant way. Therefore, many new mothers find they are not eligible for paid maternity leave, particularly if they choose to space their children closely together and have taken the paid and unpaid leaves to which they are entitled for the previous child.

Another limit follows from the fact that employment patterns no longer conform to the pattern upon which Employment Insurance is modelled. Self-employment is a rapidly growing category in the labour force (Hughes, 1999), but self-employed workers are not entitled to maternity or parental leave because they do not pay Employment Insurance premiums. Similarly, students and others with a temporary or irregular relationship to the labour force are ineligible unless they have accumulated...
the hours of work needed to qualify for Employment Insurance.

In recognition of these gaps in coverage, Quebec developed its own maternity benefit for the first two weeks of leave to help cushion the financial shock to parents as the new arrival joins the family. In 1997, the Quebec government also proposed a Parental Insurance regime. The idea is that eligibility will depend only on having earned at least $2,000 in the previous year. The shift from eligibility based on “working time” to eligibility based on “income” would thereby cover virtually all salaried workers, the self-employed and many students. It would also establish an exclusive period of five weeks of paid leave for fathers. The establishment of Parental Insurance, however, is dependent on federal-Quebec agreement on the amount of Employment Insurance payments that would rightfully be remitted to the province. Negotiations continue.

Parents are still being forced, therefore, to make difficult choices, with long-term consequences for their children and themselves. The costs are high. Lack of paid parental leave makes it difficult for mothers to maintain the labour force participation upon which real autonomy and equality must be built. Many are forced out of the labour force to care for young children because they cannot afford to pay for high quality child care or they do not have sufficient guarantees that they can return to employment following an unpaid leave. Conversely, others are virtually forced back into the labour force because they cannot sustain the income loss associated with taking even a limited unpaid parental leave. Due to a lack of access to high quality educational child care, those parents who are forced back into employment may also be forced to leave their young children in care arrangements that are less than optimal for their child’s development.

Despite rising concern about the developmental needs of young children, Canadian provincial governments have been surprisingly silent on the question of paid leaves. For example, The Early Years Study Final Report prepared for the government of Ontario came out strongly on these issues (McCain and Mustard, 1999, chapter 7). It called on Ontario to negotiate with the federal government to extend parental leave and eliminate the two-week waiting period in Employment Insurance. However, nothing was said about this issue in the government’s news releases at the time the report was received.

For its part, as described here, the federal government made it harder for many parents to gain access to paid leave and has also reduced the level of the benefit. However, the 1999 Speech from the Throne marks a shift in direction. The federal government announced it would change the terms of Employment Insurance to extend the length of leave to a full year for those parents who qualify. Provincially, apart from Quebec’s proposals for Parental Insurance (which, if instituted, would make its leave provisions very similar to Sweden’s), Saskatchewan is the only province actively addressing the issue, putting it at the top of the agenda with its Task Force on Balancing Work and Family.

Supporting Family Leave to Help Strike a Balance

Many parents who are called away from employment when a child is ill, injured or needs help face a reduction in pay for the hours missed. However, leave for family responsibility has been slow in coming. Only British Columbia, Saskatchewan and Quebec provide a right to any leave, even unpaid, for family responsibilities such as the care of a sick child. The recent Saskatchewan Task Force on Balancing Work and Family concluded that parental stress is a serious issue and lack of services is a problem. It recommends, as do several other provinces, that employers pay more attention to the caring needs of their employees by permitting them to have flexible work hours and some leave for other family responsibilities such as sick child leave or elder care leave (Saskatchewan Labour, 1998).
4.4 Rethinking Income Security

As we noted at the beginning of this chapter, Leonard Marsh’s proposals for a post-1945 social policy included a family allowance that would be sufficiently large to compensate parents for all the extra costs they face because they are raising children. The reason this was necessary was because salaries paid to workers as individuals can never take into account the fact that parents have higher expenses than do adults without dependents.

In the 1950s, this difference was less visible, as a booming economy raised the wages of many workers. However, in recent years, the relationship between earned income and the cost of raising families again become acute. Campaign 2000, in its 1998 National Report Card, reported that in the 1990s, while the unemployment rate fell, the rate of child poverty rose because it was often part-time jobs that were being created. Even full-time but low paying minimum wage jobs do not suffice. For example, in 1976, a Canadian parent with one child had to work 41 hours a week at minimum wage in order to push the family out of poverty. However, by 1994, that same parent would have had to work 73 hours a week to achieve the same result (Hanvey et al., 1994). Put bluntly, it is clear that a full-time job no longer means an escape from poverty. Therefore, we return to the insights of the famous studies of World War II, which:

recognized that there is a fundamental problem in the relation between employment compensation and the income requirements to raise a family. Even with full employment and a good minimum wage, it is not realistic to expect low income earners to earn enough to support a family, let alone a large family. Yet the basic social safety net program (i.e., what we call “welfare”) has to pay benefits sufficient to sustain a family. This means that low income earners might be better off to go onto the safety net program, and hence could be deprived of their basic human right to raise a family in dignity, with full participation in community life, through their own effort (Battle, 1998, 6).

This issue of the “welfare wall” will be addressed shortly.

In 1947, the political decision was not to implement Marsh’s recommendation, but the Family Allowance program as it was instituted nevertheless did provide some recognition that the financial burden of parents with dependent children is higher than that of adults with no dependents. So too did the universal tax exemption, in place since 1918. Thus, in the post-war years, social as well as fiscal policy recognized the expenses of caring for children and undertook to provide a modicum of income security to all families.

Even more important, however, were the changes to social assistance, which had also recognized, first through Mothers’ Allowances and then through CAP, that families with children were often among the poor and needed significant income transfers, as well as services, in order to lower all the risks associated with poverty. Thus, by the late 1960s, a range of policy instruments sought to address the needs of poor families as well as to lighten the load of all families.

Beginning in the early 1970s, however, this particular way of dealing with families came under stress, and a long-running reform process began. As early as 1972, a federal government proposal sought to replace universal Family Allowances with a Family Income Security Plan, which would have directed higher benefits to the lowest income families. Under the plan, 30 percent of families would have lost the family allowance altogether, 60 percent would have received increased benefits, but only 20 percent would have been eligible for full benefits. Mobilization of opposition to this reform, in the name of universality, stopped it temporarily.

In a subsequent reform, however, Family Allowances were tripled in value, but also taxed and indexed to the cost of living. Thus the writing was on the wall. Over the next 15 years, Family Allowances were allowed to wither by being only partially indexed to inflation. Then in 1989, they were “clawed back” so upper income families gained nothing from them at all.
At the same time, the federal government developed two other policy instruments that had consequences for the income security of families. The first was the Refundable Child Tax Credit, introduced in 1978, which was targeted at low- and middle-income families. The second transformed the tax exemption for families with children into a nonrefundable tax credit.

Finally, in 1993, Family Allowances were eliminated altogether and, along with refundable and nonrefundable tax credits, rolled together to form the single, income-tested Child Tax Benefit, which included a Working Income Supplement (for more details see Guest, 1985, 175-76 and Clark, 1998, 2-3).

From 1972 until 1993, the direction of these changes was clear and consistent, although not necessarily transparent. Child benefits were being directed towards low-income families, whether they were on social assistance or earning income. After a certain cut-off point, the full benefit was gradually reduced as the family’s income rose, until it disappeared completely. Second, the Child Tax Benefit, as with the tax credits before it, linked delivery to the tax system, basing it on the previous year’s income tax return (including the necessity of filing one), a characteristic minimizing transparency as well as shifting policy influence towards ministries of finance.

These mechanisms meant that low-income households paid few taxes on their income and received income supplements from the government, delivered in the form of a tax credit. Such reforms marked a steady move towards targeting and the use of “negative income tax” or “guaranteed income” policy instruments for a wide range of social policies, including those for seniors (Myles and Pierson, 1997). After 1975, targeted benefits rose from one-fifth to more than half the benefits provided by governments in Canada (Banting, 1997).

The most recent moves in this direction, including efforts to lower the “welfare wall,” have come within the context of the negotiations leading to the Social Union Framework. The National Child Benefit (NCB), launched in July 1998, aims to create a more stable base of income for low-income families who face frequent job changes or who move on and off social assistance. It aims to treat all poor children the same way, whether their parents are employed or are receiving Employment Insurance, social assistance or maintenance payments from a noncustodial parent.

The NCB initiative is fuelled by a sizable federal investment, delivered via the Canada Child Tax Benefit (CCTB) and the accompanying National Child Benefit Supplement. It is part of a federal-provincial-territorial agreement that includes provincial and territorial investments and reinvestments in services and benefits that are directed to low-income families and promote healthy child development. In its October 1999 Speech from the Throne, the federal government announced it would increase the benefits paid through the CCTB.

The CCTB is comprised of several parts. As of July 1999, the basic benefit was $1,020 for each child under 18, plus a supplement of $213 per child under 7 if a parent does not claim the Child Care Expense Deduction. The second element of the CCTB is the National Child Benefit Supplement for low-income families. It amounts to $785 for one child and $1,370 for two children. The full Child Tax Benefit, meaning the full basic benefit plus the full low-income supplement, goes only to families whose net income is less than $20,921.

More than 80 percent of families with children are eligible to receive the basic benefit, but the amount they receive is reduced in proportion to income. The basic benefit is reduced when net family income exceeds $25,921, with a 2.5 percent reduction for a one-child family and a 5 percent reduction for a family with two or more children. The NCB Supplement is reduced when net family income exceeds $20,921 and disappears completely as family income passes the $27,750 mark (Revenue Canada, 1998). Yet, at this income, Statistics Canada categorizes a family as “poor” since its annual income falls below its defined low-income cut-off.
The support received by low-income families in the first full year of the NCB was modest in relation to the actual costs of raising a child (Battle and Mendelson, 1997, 7). Researchers’ estimates of the annual cost of raising a child (in 1995 dollars), exclusive of child care, range from $4,000 (Battle and Mendelson, 1997) to $5,700 (CCSD, 1995). When child care is included, the cost rises to $8,600 (CCSD, 1995).

Moreover, the shift to the NCB has not transformed the income situation of families on social assistance. As a result of the way that Ottawa and the provinces implemented the NCB, when the federal government transfers a benefit to a family on social assistance, the province is permitted to reduce its own payment to that family by the same amount. All provinces are engaged in such reductions except New Brunswick and Newfoundland. The idea behind this shift in funding is that provinces could use the dollars thereby “saved” to reinvest in other programs for children.

There is great diversity in the ways in which the provinces have chosen to contribute to the NCB, each reflecting provincial priorities and values. Some provinces pay benefits parallel to the Canada Child Tax Benefit. For example, Saskatchewan has renamed its income security strategy Building Independence: Investing in Families. The province supplements basic social assistance with Family Health Benefits for low-income working families. It also pays two other benefits, which replace the portion of social assistance previously paid on behalf of children. The Saskatchewan Child Benefit goes to approximately 40,000 low-income families with children and the Saskatchewan Employment Supplement is added to earned income or income received through child maintenance agreements.

New Brunswick also has both a Child Tax Benefit and a Working Income Supplement. They function in tandem with the federal government’s programs, as do Alberta’s Family Employment Tax Credit and British Columbia’s Family Bonus (which is a low-income supplement).

Quebec has followed a similar strategy, rolling three family allowance payments into a single integrated Family Allowance that includes the portion of social assistance paid for children. It is calculated relative to the Canada Child Tax Benefit although Quebec is not officially participating in the NCB reinvestment plan. Quebec also pays earned income supplements to low-income families through its Parental Wage Assistance program (APPORT in French). These benefits have been adjusted since the Family Allowance came on line. Quebec’s only divergence from targeting low-income families is that it has a universal Child Tax Credit, the only one in Canada.

All provinces have also instituted machinery to enforce the financial contributions that noncustodial parents make towards family income. Punishment for payment default has become increasingly more severe, with several provinces confiscating drivers’ licenses. While most provinces put a provincial institution between the custodial and noncustodial parent, only Quebec explicitly recognizes the danger for women who are forced to seek maintenance from previously violent spouses and, therefore, also reinforces the program’s protective dimension. With the development of this variously named new machinery – perhaps Ontario announces the goal most clearly by calling its agent the Family Responsibility and Support Arrears Enforcement Office – a third source of family income is added to the basket, which already included employment earnings or social assistance. The degree to which maintenance enforcement policies have provided lone-parent families with more income is, as yet, unknown.

At current levels, the various tax credits and income supplements do not yet cover the real costs of raising children and keeping them out of poverty. Nonetheless, the establishment of the Canada Child Tax Benefit as well as the National Child Benefit reinvestment plans does signal a major change in the way that governments are thinking about families, employment and social assistance. The key shifts in policy thinking that are gradually working their way through the system are twofold:
• Low-income families are treated in a similar fashion, whether their income stems from employment, social assistance or child maintenance. The presence of children in the household unlocks an array of tax credits and direct payments that are the same for all low-income families.

• Children are being removed from the “formal” social assistance system. In lieu of social assistance, children are entitled to a series of new, very positively named, non-stigmatized child benefits paid in their name. Thus social assistance programs are becoming a regime of last resort, intended only for adults with no children and no job, and sometimes for those who are disabled.

Despite the fact that all the governments studied are “singing from the children’s songbook,” children’s problems have not yet been solved. The challenge for all Canadian governments is to pay benefits that are sufficiently generous to ensure that thousands of children are not consigned to poverty. This has yet to be done.

**Increasing Parental Labour Force Attachment**

Another strategy for dealing with income security has been to engage in more active promotion of employment. After several decades during which many provinces recognized that being a sole support parent was a legitimate reason not to seek employment and, therefore, a valid reason to obtain social assistance, government thinking has changed (Boychuk, 1998). All provinces have decided that almost all recipients of social assistance, except in some cases those who are disabled, should be in the paid labour force. These philosophical changes have had particularly important consequences for lone mothers, who face challenges related to finding reliable and appropriate child care.

Beginning in the late 1970s, a number of provinces shifted their definitions of when social assistance recipients were eligible for employment. For example, Alberta decided that lone mothers were available for employment once the youngest child reached two years of age. In the 1980s, lone mothers in British Columbia were considered employable unless they had a baby under six months or two children under 12 years while, in Saskatchewan, only those lone mothers with a newborn under three months did not have to seek employment. Ontario, however, maintained its exemption for “lone mothers with children under 16” well into the 1990s. However, after 1995, it lowered its exemption such that participation in workfare became compulsory for lone mothers with children under age six.

Provinces also began to institute programs to propel welfare recipients into the labour force (e.g., BC Benefits: Youth Works, BC Benefits: Welfare to Work, Adult Skills Alberta, Saskatchewan Training Strategy: Bridges to Employment, Ontario Works: Employment Assistance, and NB-Works). These programs can be distinguished according to how much “compulsion to work” they entail. Yet, there is consensus across programs on two ideas. First, priority should go to fostering employability as an integral component of social assistance. Second, in order to trace the shortest possible route to employment, “any job is a good job.”

While such programs reflect the desire to decrease “welfare rolls” and reduce dependency, their actual success at doing so depends on providing a range of services to support job seeking and employment. Chief among these is adequate child care services since many of the clients of such programs are young lone mothers. In this sense, “employability” is also a matter for family policy.

**4.5 Several Ounces of Prevention**

Child welfare is traditionally an important part of the policy arsenal for children. Since the 19th century, the provinces have developed institutions responsible for caring for children whose parents were incapable of providing a safe and nurturing environment. These child protection services were often contracted out. For example, the Ontario
government’s relationship with Children’s Aid Societies dates from 1893.

In recent years, child protection services have come under scrutiny because of several high profile examples of children dying while under surveillance by child protection authorities. New Brunswick, Ontario and British Columbia have all recently conducted major reviews of their services and found that reduced funding associated with cutbacks and deficit fighting have contributed to the problem. Similarly, in Saskatchewan, the Action Plan for Children is an initiative that grew out of one such tragedy. The plan involves seven government departments, one secretariat, and major new funding commitments.

In addition to traditional concerns about child protection, there is also a movement afoot in several provinces to develop a wide range of new services for children at risk of developmental failures. Sometimes termed early childhood initiatives, these specially focussed prevention programs are designed to identify and meet the developmental needs of children. There is an emerging consensus that risk factors for children include not only the personal characteristics of parents (e.g., their age, training, physical and mental health) but also the family’s economic situation as well as the environmental or community conditions in which they live. Thus poverty itself has been defined as a risk factor, as has living in a disadvantaged community (Chapter 2 discusses some of the new knowledge about child outcomes and the factors that contribute to them).

Provinces have introduced a wide range of programs since the days of CAP. Program specifics are too numerous to detail, but three very different approaches to current strategies for addressing the needs of young children can be sketched.

• Saskatchewan provides an example of a wide-net program addressing a variety of discrete problems, anchored in schools and neighbourhoods. It launched its Action Plan for Children in 1993, which “acknowledges the importance of strong support for children in their early years and promotes the development of prevention and early intervention services.” Over $53 million in funds are committed for a wide array of programs including $18 million allocated to the Saskatchewan Child Benefit and Saskatchewan Employment Supplement described above.

These funds include wage enhancements as well as grants to child care centres for services and programs. The 1998-99 Action Plan for Children also directs more than $4.5 million to the Department of Education (the largest item among direct program expenditures) to provide programs for vulnerable children, including pre-kindergarten services and early intervention for three- and four-year-olds. In addition, money goes into health spending through, for example, Family Health Benefits, nutrition programs, and early skills development programs.

• New Brunswick provides a second example. It chose a narrower target by age and program, based on a clear developmental vision focussed on giving all poor children a chance to be ready to learn by the time they reach school. Its Early Childhood Initiatives consist of a province-wide, integrated service delivery system for prevention-focussed childhood services that target “priority” preschool children and their families. Priority children are defined as children from the prenatal stage to five years of age whose development is at risk due to physical, intellectual or environmental factors, including socio-economic factors.

The primary goal of New Brunswick’s Early Childhood Initiatives is to enhance school readiness through both health and educational programs. In addition to using the public health system to identify newborns who are at risk, all children aged three and a half are assessed. Goals include lowering infant mortality rates, raising birth weights, increasing breast feeding rates, and identifying and addressing problems related to hearing, sight and learning disabilities as early as possible.

• Quebec provides the third example. It has community-based health agencies, which monitor
early childhood needs and provide a range of specialized programs (e.g., for teen parents). However, Quebec has directed most of its recent investments to the educational components of Early Childhood Centres, with a commitment to universal access. Quebec’s new family policy also extended kindergarten to a full day for five-year-olds and provides half-day junior kindergarten for children living in disadvantaged Montreal neighbourhoods. After defining developmental and educational child care as a universally accessible service, the province developed curricula for all age levels from infants to four-year-olds.

Other provinces have similar strategies, each picking and choosing among programs that emphasize health or socialization skills and variously emphasizing targeted or universally accessible delivery. None of these programs are inexpensive, although they are all presented as measures that will save money in the future. Most provincial programs are too new to evaluate and many are experimental. Nonetheless, they reflect an appreciation of the need for spending for prevention and early intervention.

The federal government has also played a role in prevention-focussed programming. The Community Action Program for Children (CAP-C), created by Health Canada in 1992, pioneered innovative prevention and early intervention programs for high risk children under the age of six in selected communities across Canada. One of its key goals is to innovate in the area of coordinated programming.

4.6 Distillation of the Research Findings: Moving towards a Policy Blueprint

We have observed that a variety of policy instruments have been developed over time to meet diverse family policy goals. The current situation in Canada, summarized in Table 4-2, is based on the family policy instruments introduced in Chapter 3 and the review of federal and provincial policies discussed in detail in the preceding sections of Chapter 4.

Taking a broad view of policies directed to Canadian children since the end of the Second World War, we observe several patterns of change and a number of points of policy overlap or incoherence that have created the current family policy regime summarized in Table 4-2. Many of the most costly programs are already in place thanks to comprehensive policies that cover health care insurance and public education. However, family policy support within and between jurisdictions is inconsistent and does not meet the needs of children and their parents. Citizens and experts repeatedly tell us, via dialogue exercises and in roundtables, that parents are stretched to the limit. Under current conditions, the gaps in the pan-Canadian family policy mix can be summarized as follows:

- Inadequate provisions for paid parental and family leaves from employment and no protection for pensions and other benefits while on leave
- Few provisions for flexible employment hours and schedules that would help parents balance their employment and family responsibilities
- No recognition of the costs all parents must bear when raising children (except in Quebec)
- Insufficient income support for low- and middle-income families with young children, limiting the physical as well as the social development of children
- Lack of meaningful choices and insufficient spaces to meet family needs for accessible, affordable, and flexible child care services
- Insufficient access to regulated developmental care for preschool children, and
- Insufficient access to community resource centres that integrate programs and services for children and families and promote community health and development.
<table>
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<tr>
<th>Table 4-2</th>
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<tr>
<td><strong>An Overview of Government Programs for Children in Canada, 1999</strong></td>
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**Current Status of Policy Instruments, Federally and in Six Provinces**

**Programs Recognizing the Costs of Raising Children**
- Quebec provides a universal tax credit for dependent children.
- One of the goals of the income tested Canada Child Tax Benefit is to “help with the cost of raising children.”

**Child Benefits**
- The National Child Benefit (NCB) provides the framework for child benefits. It is composed of: (1) the basic Canada Child Tax Benefit, (2) a low-income supplement, and (3) provincial reinvestment commitments.
- Provinces are permitted to deduct the amount of the supplement from the payments made to social assistance recipients so their incomes remain stable. New Brunswick has chosen not to do so.
- The federal government provides the basic Canada Child Tax Benefit (CCTB) of $1,020 per child under 18, plus $213 per child under 7 if the Child Care Expense Deduction is not claimed (see below). It also pays the National Child Benefit Supplement to low-income families at $785 for one child and $1,370 for two children. Both the basic benefit and the low-income supplement (and therefore the maximum benefit) are available to families whose incomes are under $20,921. The basic benefit begins to be reduced at $25,921 and the low-income supplement disappears at $27,750.\(^2\) Alberta has its own payment schedule for the CCTB.
- Revenue Canada administers several provincial child benefit programs. In the six provinces studied, they are the BC Family Bonus and BC Earned Income Supplement, the Alberta Family Employment Tax Credit, the Saskatchewan Child Benefit, and the NB Child Tax Benefit. Quebec administers its own Family Allowance.
- Benefits in the form of working income supplements are available in British Columbia, Alberta, Saskatchewan, Ontario, Quebec and New Brunswick.
- Extended health benefits are provided within parental work programs in British Columbia, Alberta and Saskatchewan.

**Tax Deductions to Cover Some of the Costs of Employment**
- The federal government provides a Child Care Expense Deduction (CCED) to employed parents. Costs for receipted child care can be deducted up to maximum of $7,000 for a child under 7 and up to $4,000 for children aged 7 to 16. In two-parent families, the deduction must be claimed by the parent with the lower income. The CCED can be used for both formal regulated child care or unregulated care for which receipts are issued.
- The Ontario Child Care Tax Credit provides a maximum $400 deduction per child. It has the same rules about receipts as the CCED.
- Quebec’s child care expense deduction is being phased out for many parents as the province moves towards the flat rate payment of $5 per day for child care, for which receipts are not provided.

**Regulated Child Care Services**\(^3\)
- All provinces provide subsidies, paid to the provider, for low-income parents needing child care. Most require the subsidies to be used for regulated child care, either centre-based or in family day care.

**Educational Requirements for Child Care Providers:**
- No province requires family day care providers to have advanced training in early childhood education. Their care work is supervised, however, and they are required to have first aid training.
- British Columbia, Alberta, Saskatchewan, Ontario and Quebec all require at least some of the staff in centres to have training in early childhood education.

**Curriculum:**
- In Quebec, Early Childhood Centres and family day care providers must follow a common provincial curriculum.

**Kindergarten:**
- Publicly funded kindergarten is available for five-year-olds. New Brunswick and Quebec provide full-day programs.
- Saskatchewan provides half-day preschool programs for three- and four-year-olds in some high risk communities and Quebec does the same for four-year-olds.
- Following release of The Early Years Study in 1999, Ontario made new commitments for junior kindergarten and kindergarten.
Table 4-2 (cont’d)

Current Status of Policy Instruments, Federally and in Six Provinces

<table>
<thead>
<tr>
<th>Maternity and Parental Leaves (Paid and Unpaid) and Family Leaves</th>
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<tr>
<td>• Paid maternity and parental leaves are available for parents covered by Employment Insurance if they meet the eligibility requirements. Birth mothers are entitled to 15 weeks of paid leave, and either parent may take an additional 10 weeks. Benefits are 55 percent of insurable earnings. Recipients earning more than $48,750 must pay back a portion of the Employment Insurance benefit. Low-income supplements are available for those whose income is below $20,921, raising the replacement level of lost income. The maximum supplement is $431 per week. The first two weeks of leave are not covered by these benefits.</td>
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<tr>
<td>• Quebec pays a flat rate “maternity allowance” to mothers earning less than $55,000. It is intended to partially cover the two weeks not included in the Employment Insurance benefit.</td>
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<td>• Employed parents, meeting certain minimal conditions, have a right to unpaid maternity leaves (which varies between 17 and 18 weeks) and to unpaid parental leaves (of about 12 weeks) in most of the provinces studied. Alberta has no unpaid parental leave, while Quebec’s unpaid parental leave is 52 weeks.</td>
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<tr>
<td>• Some birth leave for fathers is available: 1 day unpaid paternity leave in Saskatchewan and 5 days unpaid leave in Quebec at the moment of birth or adoption, with the first two days paid if the new parent has been employed for two months.</td>
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<td>• Unpaid leaves of 5 days per year can be taken for family reasons in British Columbia, Saskatchewan and Quebec.</td>
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<th>Flexible Work Hours and Schedules</th>
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<td>• Employment Insurance now covers part-time workers. Therefore, they may also be eligible for maternity and parental benefits if they have worked enough hours to qualify for them.</td>
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<th>Programs for Child Well-being and Healthy Development</th>
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<tr>
<td>• Specialized health, education and developmental services are available across Canada. Access to programs depends on needs (e.g., disabilities) and can vary by location within and between jurisdictions.</td>
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<tr>
<td>• Various federal and provincial programs support Aboriginal children and families, including the federal government’s First Nations-Inuit Child Care Initiative and the Aboriginal Head Start Program. Provincial programs differ widely in terms of program content.</td>
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<td>• Numerous prevention and early intervention programs, generally directed to “at risk” families, are funded federally and provincially. Federal programs include the Child Development Initiative (previously known as the Brighter Futures project), Child Care Visions, the Canada Prenatal Nutrition Program, and the Community Action Program for Children (CAP-C). Individual provincial initiatives are too numerous to list but include New Brunswick’s Early Childhood Initiatives, Ontario’s Better Beginnings, Better Futures, and a range of programs under larger program banners such as Alberta’s Child and Family Services Authorities, Saskatchewan’s Action Plan for Children, and Quebec’s CLSCs (community resource centres).</td>
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<tr>
<td>• Universal health care insurance is available across Canada.</td>
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<td>• Universal public education is available across Canada.</td>
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<td>• Recreation and related programs are available across Canada, but the extent depends on location, and user fees often apply.</td>
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<th>Community Resource Centres</th>
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<td>• Health and other assessments and community development programs are available through CLSCs in Quebec. In addition, Early Childhood Centres are community anchors supporting family day care providers and offering some general services for all parents.</td>
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<tr>
<td>• In New Brunswick, 13 federally funded Family Resource Centres target services to low-income families.</td>
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<tr>
<td>• Between 1980 and 1996, about 180 Family Resource Centres were created in Ontario which are used mainly by non-employed parents and informal caregivers. Quality varies by municipality, based on community investment and resources.</td>
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<tr>
<td>• Proposals for Early Childhood Development and Parenting Centres, with developmental preschool child care as a central component, were made in 1999 in Ontario’s Reversing the Real Brain Drain: The Early Years Study Final Report.</td>
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<tr>
<td>• Mixed use community-based family resource centres are being implemented by several of Alberta’s 18 regional Child and Family Services Authorities to provide integrated information, assessment and referral services for children and families.</td>
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</table>

1 Provincial programs are indicated only for the six provinces studied during the Best Policy Mix for Children project: British Columbia, Alberta, Saskatchewan, Ontario, Quebec, and New Brunswick.
2 In July 2000, the National Child Benefit Supplement will be paid to families with incomes up to $29,590.
3 Child care data are taken from the Childcare Resource and Research Unit (1999), supplemented with additional data on kindergarten from Johnson and Mathien (1998, 9-10).
4 In Quebec, if an employee is adopting the child(ren) of his/her spouse, only 2 days of unpaid leave are available.

Source: Jenson, with Thompson (1999).
The current complement of family policies needs to be altered if a better mix is to result. For example, both the tax exemption for dependents and the 1947 universal Family Allowance were designed to support the costs of child rearing. Therefore, post-1945 Canada was in step with countries such as France, which were instituting generous family allowance schemes. However, these income redistribution policies rarely promoted parental attachment to the labour force, at least with respect to mothers. It was assumed that in two-parent families, mothers would stay at home and lone mothers were excused from labour force participation via social assistance when their children were young.

However, beginning in the 1970s and accelerating in the 1980s, Canadian policymakers attempted to address high poverty rates while stabilizing levels of spending. To do this, they began to shift money from universal programs such as Family Allowances to those targeted mainly to poor families, notably through the Canada Child Tax Benefit and its associated programs. Thus, by the late 1990s, a partial redistribution of income towards poor families, whether employed or not, had swept away any commitment to the policy goal of recognizing that all parents, no matter what their income, face higher costs than the childless or those without dependent children. Targetting was a policy strategy and tax credits were a policy instrument that ultimately replaced universally delivered programs.

Another example can be drawn from the 1970s. Rising rates of female labour force participation, as well as the mobilization of the women’s movement, generated a number of policy instruments that were supposed to permit women to balance their dual roles as labour force participants and mothers of young children. Labour codes were modified to give mothers the right to unpaid maternity leaves, then parents the right to unpaid parental leaves, with some guarantee they could return to their jobs. The Unemployment Insurance regime also began to partially reimburse the lost income of new parents who stayed home with their infants for a few months. By the middle of the decade, the Child Care Expense Deduction was also in place as a fiscal measure intended to promote equity between parents who had to pay for child care in order to be employed and taxpayers who had no such employment-related expenses.

There were several ways in which Canadian policy was substantially more limited than what existed elsewhere. High quality regulated child care was always in short supply and, in effect, often reserved for low-income parents who were eligible for a subsidy. Ineligible parents had to meet the costs themselves, both by fronting high out-of-pocket expenses, estimated to be about $10,000 a year for a space in a high quality child care centre, then paying with after-tax dollars for any gap between actual expenses and the amount allowed by the Child Care Expense Deduction.

These costs were strong incentives for parents to seek less expensive, unregulated forms of child care. One unintended consequence was that levels of stress rose for employed parents with young children. Another consequence was that parents “chose” to leave the labour force, either because their earned income was not sufficiently high to counterbalance the costs of child care or because they were uncomfortable leaving their children in situations they feared might provide inferior care. Our values data, as well as other opinion studies, consistently uncover this concern of parents about the quality of nonparental care.

Canadians have generally believed for many years that parental, especially maternal, care is the highest quality. As a result, child care institutions have not been primarily defined as educational institutions or places to foster child development. While early childhood educators have struggled to represent these institutions in that way, in popular terms they have tended to be seen more as custodial (where the emphasis is on safety at a reasonable cost) rather than developmental (where the emphasis is on fostering socialization and other skills necessary for school and later life).

Canadian policies, value-laden as all policies are, do not permit parents to make meaningful choices
that enable them to meet their diverse needs for child care. In addition, because it is almost always mothers who have to make difficult choices about employment and child care, the policy goal of fostering gender equality is being undermined both for the present and the future. Mothers are restricting their employment and income options in the present and mortgaging their future job advancement and pension incomes.

As noted in Chapter 3, when countries are ranked according to the number of children in publicly regulated and financed preschool child care, Canada is near the bottom of the list. Enhancing child development in the early years is receiving new attention. This follows from a new understanding about the contribution that developmental child care makes to improved child outcomes, as documented in several chapters of this report. However, this policy shift has not yet been adequately integrated into the policy mix that will be best for Canada’s children.

We conclude from our research that a blueprint for successfully improving child outcomes demands a mix of policies that meet many goals and which, together, produce the enabling conditions of healthy child development. Thus any program, and all family policy instruments, must serve and balance multiple end goals. In order to contribute to what we hope will become a true dialogue among Canadians about the best mix of policies for our youngest citizens, Chapter 5 presents the conclusions and recommendations drawn from our own multi-year, wide ranging research study on policies for families with young children.

Notes

1 Unless otherwise noted, all data in Sections 4.1 through 4.6 are taken from Jenson, with Thompson (1999).

2 Some low-income parents in Quebec are still eligible for a subsidy to reduce the cost of child care.

3 Note that the supplement applies to each child under the age of seven: (1) $213 annually less a 25 percent reduction of the amount claimed for child care expenses on the tax return, and (2) $75 annually for the third and each additional child. The Alberta government has its own schedule of benefits: $935 per year for children under the age of seven, $1,004 for children aged 7 to 11, $1,133 per year for children aged 12 to 15, and $1,205 for children aged 16 to 17 (Revenue Canada, 1998).

4 As defined by Statistics Canada, “poor” families are those with an annual family income that ranges from $23,303 to $31,071 and, therefore, falls between 75 percent and 100 percent of Statistics Canada’s low-income cut-off (Statistics Canada, 1999d). See Table 1-1 for further definitions.
A Societal Strategy for Children: Recap and Recommendations

We have learned during this project that three enabling conditions combine to produce improved outcomes for children: adequate family income, effective parenting and supportive community environments. We have also learned that children’s needs change over time as they grow and develop. Similarly, we have learned that families have a spectrum of needs that change as the circumstances of family life alter, due to their own actions or external events. A societal strategy for children must, therefore, include programs and services that are sufficiently rich and varied to meet the real needs of different kinds of families in Canada today and to create the enabling conditions of healthy child development.

Yet, time and again, we were told that a good mix of services and programs cannot be simply a smorgasbord from which parents can choose. Echoing the call of citizens to have governments take a strong leadership role, experts believe the desire to accommodate parental choice should not restrict the role of governments. Rather, public funds should be used to ensure equitable access to a range of services and programs that support child development and help parents. Other stakeholders, from employers to voluntary organizations, can supplement these efforts through their own actions.

The model for a mix of policies that can lead to better outcomes for children is, then, akin to the holistic balance found in Canada’s Food Guide. We need policies to address all the needs of families and their children. We cannot overindulge on a single item, as healthy as it might be. Balance must be achieved in the whole policy package.

Policies for children and families, and the various instruments associated with them, can serve several goals, sometimes simultaneously and sometimes separately. There is no single policy that can meet all goals, nor can the various instruments be combined without attention to the points where they overlap and bump up against each other. Combinations, trade-offs and choices that meet family needs are, therefore, crucial to producing the best outcomes for young children and a viable societal strategy to support children and their families.

The roundtables organized for the Best Policy Mix for Children project, as well as its research, teach important lessons about the need to provide a package of policy supports for Canadian children and families and to coordinate action across policy domains and sectors. Many discrete steps can be taken to foster the enabling conditions for families that underpin improved child outcomes. Yet, without coordination, individual actions may not be adequate or may work at cross-purposes with steps being taken by other stakeholders.

Positive child outcomes do not occur simply because policies provide parents with supports that help them to balance family and employment
responsibilities, reduce stress, and so forth. They work in conjunction with policies for reducing poverty and economic vulnerability, as well as with measures that create supportive community environments.

To foster all three enabling conditions of healthy child development, a policy package needs to include services and programs offered to all children and families. In the realm of public policy, there are many domains that have major impacts on child well-being. These include justice, public education and health, economic policy, housing policy, and initiatives targetted to groups with special needs such as children experiencing family transitions, the disabled, immigrants or Aboriginal families. However, to keep our argument that coordination is possible within manageable bounds, we limit our discussion to policy goals and instruments that are used to support preschool children and families directly.

A long-term blueprint is required to map actions that can be taken in the next 10 years to create a societal strategy for children. This chapter presents our recommendations for this blueprint to move Canada to the top of the class as a place to raise young children. This will require the sustained commitment of many stakeholders over several years. Implementation of these recommendations will have financial costs for governments, employers, families and communities and, therefore, will also require considerable political will. The costs are not modest, but change can be undertaken, step by step, if we so choose.

### 5.1 Using Policy to Improve Child Outcomes

Our in-depth explorations of public policies for children, cross-nationally as well as within Canada, revealed important information about their design, implementation and effectiveness. Such policies have emerged for a variety of political, economic and demographic reasons. They serve a medley of goals that range from reducing poverty or fostering gender equality to supporting parents’ transition from social assistance to employment. Only some countries, however, succeed in developing goals and deploying instruments across the public, private and voluntary sectors that support all three enabling conditions of healthy child development. Jurisdictions that do succeed in supporting child development are those with policies designed to provide adequate income, facilitate effective parenting, and foster supportive community environments. They effectively nurture children, as demonstrated by a range of measurements of child outcomes and the factors contributing to them.

Many stakeholders – families, neighbourhoods, communities, employers, public institutions, and governments – contribute to these ends. To sketch out how coordinated action by various stakeholders can be undertaken, this chapter explores a range of policy goals and instruments available for their use. These have traditionally been associated with policies for children and families and have been used in various combinations by governments and other stakeholders in Canada in the last few decades. This chapter considers how these goals and instruments can be effectively developed in the future by the public, private and voluntary sectors to foster the enabling conditions that lead to improved child outcomes.

#### Adequate Income

The first enabling condition has been the focus of much public policy in recent years as governments have struggled with choices for ensuring that families have adequate income. While earned income is the form preferred by governments and ordinary citizens, social assistance and maintenance payments from noncustodial parents have also been part of the mix. Therefore, in addition to programs to increase family income via transfers, governments have developed programs to promote the transition from social assistance to employment. Some have also argued that tax policy should pay more attention to the needs of families with dependent children, perhaps by focussing on tax cuts for them or reinstating a tax exemption for dependent children.
One way that families themselves seek to achieve adequate income is through employment, which means that the issue of balancing family life with employment comes immediately to the fore, for both two-parent and lone-parent families. This raises issues related to the second enabling condition, effective parenting.

**Effective Parenting**

There is no single or obvious method to support effective parenting in a time of multiple family styles, a wide range of situations, and new pressures. However, the policies of employers and the voluntary sector, as well as of governments, make important contributions to enabling parents to be effective. Employers’ actions include making workplaces family-friendly through innovative employment-life programs, offering flexible hours, improving maternity and parental benefits, and including child care as part of the benefits package available to employees. In their communities, voluntary sector groups can take action by offering programs for parenting and healthy beginnings and by supporting community resource centres that provide a range of child and family services and programs. These latter actions spill over onto the third enabling condition.

**Supportive Community Environments**

Good parenting is easier in supportive communities, where health and developmental resources are available for infants and toddlers, where recreation and cultural programs for young children are accessible, and where children are safe to play and participate in enriching activities. The policy choices of community groups that decide to invest in programs for children and families are central here, as are the policies of employers who are actively involved in their communities, as well as those of governments that deliver programs themselves and promote delivery by others.

As discussed in Chapter 4 and summarized in Table 4-2, each province studied has developed its own package of measures, despite the imprinting that comes from historic and often shared-cost federal programs such as the Canada Assistance Plan (CAP). While variation increased when the federal government’s Canada Health and Social Transfer replaced CAP and other funding regimes, it is also true that policy diversity is a Canadian tradition (Boychuk, 1998).

**Employer and Voluntary Sector Policies**

It is more difficult to provide a synopsis of employers’ policies. Nonetheless, recent studies do provide both broad-based survey data and detailed case studies of personnel and other policies. Surveys find that employees want flexibility in working hours, employment options and leaves of absence, as well as child care in or near their workplace. In addition, they emphasize the need for “understanding, compassion and sensitivity from employers” (MacBride-King and Bachmann, 1999, 6). Surveys of employers find their response to parents’ needs to be “extremely slow.” Estimates are that compressed work weeks (full-time work over four days) are available to one-fifth of the labour force, flexible work schedules are available to one-quarter and “teleworking” (working from home) is available to one-tenth (Duxbury, Higgins, and Johnson, 1999).

It is also important to note that the direction of causation is not always what one might expect. The usual notion is that family commitments will lead to problems in the workplace and that employers will suffer. However, a recent review of the literature found that “not only is work-to-family interference more prevalent than family-to-work interference” but it is actually employees’ working lives, not their family responsibilities, that are undercutting performance on the job. Indeed, it is demanding jobs and unsupportive workplaces that spill over into workers’ personal lives, creating or exacerbating “problems off the job, such as not spending enough time with one’s children” (CCSD, 1999b, 28-29).

The evidence from studies is robust. Employers’ policies can have significant effects in reducing the stress parents feel in balancing family and employment responsibilities. In other words, employers
have a major and clearly relevant contribution to make towards fostering enabling conditions and building a broader societal strategy for children.

It is even harder, indeed impossible, to provide an overview of the contribution made by community associations and the voluntary sector towards fostering the three enabling conditions that lead to improved child outcomes. While many studies exist, no summary assessment can be constructed. This absence of data does not mean these stakeholders can be ignored, however, and we certainly consider them in drawing our recommendations for a policy blueprint for Canada’s young children.

5.2 Recommendations for a New Policy Mix

Our analysis has shown that policies directed to children and those which enable adults to raise families may set diverse goals in order to create the enabling conditions identified by researchers and policy experts as necessary for successful child outcomes: adequate income, effective parenting and supportive community environments. We have observed this variety of goals in the comparative studies of Canadian public policies, in the policy preferences that developed in post-1945 European and North American countries, and in different patterns of child outcomes.

In order to provide some structure to the discussion that follows, Box 5-1 summarizes the policy goals introduced in Chapter 1 that can be used by policymakers in the public, private and voluntary sectors when crafting policies for families with children. Each goal has received significant attention in the past from decision makers in Canada and most are being actively pursued today.

As an organizing framework for presenting our recommendations, Table 5-1 maps a number of policy instruments to the six goals identified in Box 5-1 that might be met by policies for children and families. This provides a visual representation of the complexity confronting policymakers who seek to contribute to a societal strategy for children by developing the best policy mix to support children and their parents.

Within the table, cells are marked with a yes if the policy instrument directly helps meet one of the six goals and therefore contributes, either directly or indirectly, to generating the three enabling conditions of child development: adequate income, effective parenting and supportive community environments.

Cells marked with a no indicate the instrument does not meet the stated policy goal directly. We do not distinguish, however, between instruments that would have a neutral effect and those which would have a negative effect. Some of these nuances are discussed below. In a few cases, the entry also contains an asterisk (*) to denote that the effects of the policy instrument depend upon the details of its design. As a result, only some versions will have the described effect. This specificity will also be discussed.

The ways in which individual policy instruments can be used to meet multiple policy goals are discussed in the sections that follow, beginning with the measures needed at the time of birth or adoption, then progressing as the child grows.

<table>
<thead>
<tr>
<th>Box 5-1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Possible Goals for Policies Directed to Children and Families</td>
</tr>
<tr>
<td>1. Redistribute income to recognize and support the costs of child rearing for all families.</td>
</tr>
<tr>
<td>2. Redistribute income to reduce and prevent poverty and economic vulnerability.</td>
</tr>
<tr>
<td>3. Foster gender equality in the home and the workplace.</td>
</tr>
<tr>
<td>4. Increase meaningful parental choice in meeting family needs for parental and nonparental child care.</td>
</tr>
<tr>
<td>5. Advance child development in the early years.</td>
</tr>
<tr>
<td>6. Facilitate parents’ transition from social assistance to employment.</td>
</tr>
</tbody>
</table>
Parents want to care for, bond with, and enjoy their babies. They know as well as the experts that spending extended periods of time with an infant improves both outcomes and the factors contributing to them (for example, breast feeding has well-documented preventative health effects and contributes to improving secure attachments and other positive child outcomes). Moreover, women have to recover from the rigors of child birth. These two

### Table 5-1
**Policy Goals and Instruments**

<table>
<thead>
<tr>
<th>Policy instruments</th>
<th>Recognizes and supports the costs of child rearing</th>
<th>Reduces and prevents poverty</th>
<th>Fosters gender equality</th>
<th>Increases choices for meeting child care needs</th>
<th>Advances child development</th>
<th>Facilitates transition from social assistance to employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parental and family leaves</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Maternity and parental benefits</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Flexible employment hours and schedules</td>
<td>Yes</td>
<td>No</td>
<td>Yes*</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Unregulated child care services</td>
<td>No</td>
<td>No</td>
<td>Yes*</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Developmental and educational child care services</td>
<td>No*</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Tax deductions to cover some of the costs of employment</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Universal tax exemptions, tax credits or family allowances</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Yes*</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Child benefits targeted to low-income families</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Programs for child well-being and healthy development</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Community resource centres</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>
abiding needs have prompted creation of maternity leave (available only to birth mothers, as a health measure) and parental leave.

Canada’s policies have not kept up with the times and do not meet the needs of the restructured labour force. First, provincial labour codes provide unpaid leaves but these do not have sufficient guarantees of job protection nor do they address the long-term costs of even a temporary withdrawal from the labour force. Moreover, these leaves are generally short (see Table 4-2). About three months of maternity leave and two-and-a-half months of parental leave are all that is available. Thus far, only Quebec provides the possibility of a year-long unpaid leave.

Second, there is practically no provision for leave in Canada to care for sick children and to take time off to meet the family obligations and emergencies that arise during working hours. This gap makes it difficult for parents to balance family and employment responsibilities and increases stress about how to do so.

Third, taking leave is very costly for families. At best, paid leaves in the Employment Insurance regime replace about half of the parent’s insurable earnings. They also “claw back” benefits from middle-class families, who may find themselves with little salary replacement unless they happen to have a collective agreement or workplace benefits package that supplements the Employment Insurance benefit. As well, despite being extended to part-time workers in 1997, the paid leave provided through Employment Insurance is not available to the self-employed or others who do not meet program eligibility rules.

Fourth, as noted in Chapter 4, less than half of births in Canada are covered by Employment Insurance benefits for paid maternity and parental leave. Without maternity leave and benefits, mothers are severely disadvantaged in the labour force compared to men and to women without children. Adequate leave with earnings replacement would redress this situation and contribute to greater gender equality in the workplace.

In a society supposedly committed to the well-being of families and children, the messages these programs now send are the wrong ones. One message to parents, particularly middle-class ones, is that they must be prepared to take a huge cut in family income as the trade-off for choosing to have a child. The message to any parent thinking of taking leave from her or his job is that there are only limited guarantees of getting it back or of maintaining other workplace benefits during the leave period. The message to those who can afford only the shortest of leaves is that they must be prepared to sacrifice their family life in order to make both ends meet. The message to all parents is that they should leave their family responsibilities at home since there is no space in the system for family needs.

Why send such messages when well-designed parental leaves to care for newborns and family leaves for emergencies could serve many of the goals listed in Table 5-1? Therefore, with respect to the right to take unpaid leave:

We recommend that all governments strengthen their regulatory frameworks to provide better protection for parents who wish to take unpaid leave at the time of childbirth or adoption, or for family reasons.

Improving Maternity and Parental Benefits

With respect to paid leaves, the provision of benefits through Employment Insurance means that we do not treat all new mothers the same. Those who are self-employed or outside the Employment Insurance regime for other reasons are ineligible for these benefits. Studies show that many mothers return to employment within a month of giving birth (Marshall, 1999).

Given the changes in the composition of the labour force and the fact that Employment Insurance is a program addressing a range of other, quite different ends, it seems increasingly futile to try to
meet the needs of new parents through this program in its current form. A number of difficulties would be avoided by simply separating maternity and parental benefits from Employment Insurance benefits. Family benefits would no longer have to mimic rules intended to manage the problems of unemployment. Currently, Employment Insurance is designed to discourage use. Surely we do not want to discourage parenting. Tying leaves to Employment Insurance makes it very difficult, however, to deliver support for parenting.

A challenge to this separation of benefits comes from the fact that the federal government only has jurisdiction over the Employment Insurance program through a constitutional amendment. If the benefits were to be separated into distinct programs, intergovernmental negotiations could be used to agree on a new regime. An alternative approach would be to set up a separate compartment with its own eligibility rules within the Employment Insurance fund, again through federal-provincial negotiation. This would have the further advantage of permitting the diversion of surplus funds in the Employment Insurance program to enable maternity and parental leaves and benefits to be enhanced immediately without new charges to employers or employees. Therefore, with respect to paid leave:

We recommend that maternity and parental benefits are either removed from the Employment Insurance regime and that a separate fund is created for them, or that a separate compartment is created for them within the current program, in either case with an appropriate adjustment to financing arrangements.

Either reform would make way for different eligibility rules. They could be less stringent than the current rules, designed as they are to meet the goal of limiting claims for periods of unemployment. Another option would be to base eligibility on the amount of income earned, as Quebec’s proposed Parental Insurance program would do. The latter approach, based as it is on income, seems fairer since it provides a better measure of the risk involved in the sense that a leave results in forgone income. A second advantage of separating the benefits is that there would no longer be any need to tie levels of reimbursement for maternity and parental leaves to the Employment Insurance regime. It would be possible to set the level at, for example, 75 percent of income for all parents. At this level, families would not be asked to suffer a huge loss in income simply because they are doing something innately human by having a child.

This is also a policy area in which employers and unions could realize their goals of recognizing the costs of child rearing, increasing parental choice about child care, and promoting gender equality. They could do even more to ensure that a return to employment and other workplace benefits are well protected by collective agreements and that generous paid maternity, parental and family leaves are part of their benefits packages. Employers in small and non-unionized companies have a particular responsibility here. In addition, family leaves, so much desired by employees, are a real candidate for innovation in personnel policy. Given the federal government’s 1999 Throne Speech promise that it will extend the length of paid leaves provided through Employment Insurance, some well-designed programs in the private sector or by public sector employers could complement this encouraging shift in policy.

Flexible Employment Hours and Schedules

Allowing parents to be employed part-time is often identified as one solution to the problem of balancing employment and family life. Other types of flexible employment arrangements are compressed work weeks (full-time work over four days), “teleworking” or working from home, and flexible schedules that allow parents to adjust their employment hours to meet family needs without short-changing their employers, their colleagues or their families.

Numerous studies find that employers lose if they do not recognize their employees’ family needs.
Their employees become disgruntled, seek new jobs, take extra time off, and so forth. Studies also demonstrate that creating family-friendly work environments does not always require new investments. Establishing supportive employment arrangements is a measure that is often either free of cost or actually saves money for employers (Duxbury, Higgins, and Johnson, 1999). Therefore, with respect to flexible employment hours and schedules:

*We recommend that employers innovate in order to render working hours and other employment conditions more sensitive to the fact that many of their employees have family responsibilities.*

**A Stronger Commitment to Developmental Child Care**

By developmental child care, we mean programs for young children offering nurturing care, physical and intellectual stimulation, school readiness, and the early detection and prevention of problems. This is provided in public schools, where kindergarten curriculum promotes school readiness and social skills, and in child care centres and by family day care providers that follow a developmentally and educationally appropriate curriculum. In contrast, custodial forms of child care, which are often unregulated, focus primarily on safety rather than on child development.

If the only goal were to maximize “bang for the buck,” informal unregulated care would surpass kindergarten and regulated child care as a policy instrument. Babysitting is cheaper per space. Caregivers have little if any training, participate in no workplace benefit regimes, and do not have major investments in space or equipment.

However, as Table 5-1 shows, developmental child care does everything that unregulated care does to meet policy goals, with some very important extras. Developmental child care helps fight poverty, by compensating for some of the negative child outcomes correlated with low income. It also helps parents enter or remain in the labour force. Stimulating and enriched child care helps promote gender equality. Parents who are confident about the quality of care their children would receive are truly free to choose whether to purchase services or provide care themselves. Parental choice in meeting their family’s child care needs is also increased when all parents can choose options other than unregulated or parental care.

The biggest advantage of developmental child care, however, is its long-term contribution to healthy child development. Experts now agree that stimulating, developmentally rich child care should be available for all children. Whether or not their parents are employed, children derive benefits from sustained contact with trained early childhood educators, improve their socialization skills through contact with other children in group settings, and receive preventative health monitoring, which is often included in high quality child care programs.

Canada already has developmentally rich child care, but it does not have enough spaces to meet the need. Nor can all parents afford to use it. Therefore, governments and other stakeholders that are truly interested in improving child outcomes are investing in developmental child care. For example, Quebec’s Early Childhood Centres furnish inexpensive child care spaces and also provide a common preschool curriculum. Saskatchewan has also been innovating, with new investments in infrastructure given through operating grants and wage enhancements for early childhood educators. These provinces show that investment is possible, even in times of deficit reduction. Therefore, with respect to developmental child care:

*We recommend that provincial and municipal governments, school boards, the voluntary sector and employers all make substantial new commitments to developmental child care, including kindergarten, so all young Canadian children will have access to high quality preschool services.*
One important step in this direction would be to provide full-day kindergarten for five-year-olds. As more funds become available, full-day junior kindergarten for four-year-olds could be introduced. Another step would be for employers to support developmental preschool programs for their employees’ children. In addition, municipal governments, school boards and voluntary agencies can all contribute through program development and coordinated service delivery.

It is true that developmental child care programs are expensive. Nonetheless, as we saw when comparing Canada to other countries, several of which are substantially poorer, we are definite laggards in this area. Other countries have made the commitment to having well over half, and in many cases close to 100 percent, of their preschool children in developmentally and educationally appropriate programs. Canada should be able to do as well.

**Addressing the Price of Child Care**

The Child Care Expense Deduction (CCED) was initiated to compensate parents for the real costs incurred in purchasing child care services so they can be employed outside the home. These are comparable to the expenses business people deduct from their tax returns.

This type of tax deduction advances several policy goals. It does something to promote gender equality by enabling both parents to earn more than they must spend on child care when participating in the labour force. It also permits greater choice about child care options to meet family needs and accommodate parents’ preferences. As long as parents obtain receipts, they may use the CCED for in-home babysitting or nannies, or opt to use out-of-home centre-based care, family day care or babysitters, whichever choice is most suitable for their family.

However, a child care deduction alone does little to achieve other policy goals directly. In particular, because it only partially covers the costs of high-quality developmental care, parents have strong incentives to purchase informal, unregulated care such as that provided by a babysitter. Currently, in 9 of the 10 provinces, regulated child care is an expensive option. Parents, therefore, have a financial incentive to choose less expensive unregulated care rather than regulated developmental care.

Nor does the CCED do much to address problems related to deep poverty. In order to claim the CCED, parents first must have taxable income, which many very poor families do not. Second, parents have to pay the up-front costs of several hundred dollars (even sometimes close to $1,000) per month and “wait till spring” for tax relief. Many simply cannot find that much cash in the family budget and, therefore, are forced to choose a less costly alternative.

It is limits like these that lead those concerned about child care quality to seek other forms of financing. One model is provided by Quebec’s $5 per day child care places, in which parents pay only $100 a month and the rest of the real costs of child care are subsidized out of general revenues. Those who cannot afford the $5 fee are eligible for a low-income subsidy. This attractive and popular program ensures that all parents have access to affordable services that have substantial developmental and educational content, with curriculum set by provincial regulation. The trade-off – and therefore the source of some of the money for paying for the system – is that parents can no longer take a tax deduction because subsidized providers are no longer permitted to issue the receipts needed to claim it.

The expense deductions remain available, however, for parents with other child care expenses such as summer camps, nannies or babysitters. In other words, parents whose children have other needs, whether age-related or not, still have the flexibility of choice in the type of child care they select. That goal need not be undermined.

With respect to child care, what policy actually needs to address is market failure. Markets simply
are not producing enough high quality child care to meet the real demand. Governments do not have to pay the whole cost but do need to set up an incentive structure that addresses the cost factor. For example, they can create incentives to encourage community organizations, employers, school boards, and parents themselves to establish child care facilities that are both high quality and affordable.

Where parents have access to and use developmental child care programs, including supports for school-aged children such as before- and after-school care and holiday care, all of which are offered to them free or at low cost, they would no longer need the CCED. A complementary and necessary option, however, is to maintain a child care expense deduction for parents who prefer to meet their child care needs in other ways. Therefore, to address the costs of child care:

**We recommend a two-pronged approach to dealing with the price of child care. One is substantial investment, via subsidies, in developmental centre-based care and family day care. This involves subsidizing both infrastructure and operating costs as well as controlling prices to allow parents to find quality care for very low or no cost. For parents who cannot or choose not to have their children participate in these programs, the Child Care Expense Deduction should remain available to them.**

Rethinking this policy instrument provides a clear opportunity for many actors to coordinate their policies to achieve several complementary policy goals. Community associations of all types have been active in providing developmental child care for many years. Employees want employers to provide or subsidize child care in or near their workplaces. Ottawa has the opportunity to funnel some of the approximately $335 million it spends on the CCED in the form of forgone revenue into such incentives to increase low-cost spaces. Both the federal and provincial governments could redirect the funds they give to individuals as child care subsidies in “welfare to employment transition” programs into subsidies for building and operating flexible child care programs.

Coordinated action of this type would go a fair distance towards financing new and affordable developmental child care spaces. These sums could be made available, via intergovernmental negotiations, for establishing a low-cost child care program. However, it is important to note that savings on the CCED would generate only part of the revenue needed to provide a sufficient number of spaces. New investments by provincial and municipal governments would be needed because there is such a backlog of demand from parents seeking reliable child care, as Quebec has found.

Quebec also discovered, however, that it could finance these new spaces by eliminating some programs (e.g., child care expense deductions, baby bonuses) and, especially, by reducing black market, non-taxed child care. In the latter case, as the price for regulated child care plummeted, parents no longer had an incentive to use “under the table” babysitting. As a consequence, provincial coffers gained as children moved into the kinds of developmentally focussed care that contributes to school readiness and improves child outcomes.

**Tax Recognition for Children**

As Canada has done in the past, many countries pay family allowances or allow tax exemptions or credits for all children, whatever their parents’ incomes may be. They do this for two reasons. First, the willingness of adults to raise children contributes to society’s well-being. Second, parents of young children face extra costs compared to the childless or those whose children are grown. This means that families with children have less ability to pay taxes and, therefore, should be taxed less, based on their ability to pay. In Canada, “ability to pay” is a fundamental tax principle, which is strongly supported as a means to achieve horizontal tax equity.

Recognition of this dimension of tax policy began to disappear in Canada in the 1970s when targeting
of social programs became popular (Myles and Pierson, 1997). Through a set of reforms, governments reallocating funds from family allowances and tax exemptions to programs for low-income children. Horizontal tax equity was eroded by this policy shift. In other words, families with children, more than all taxpayers, were being made to pay for improvements in the income of the poor. With these changes, it began to appear that having and raising a child was, in effect, to be treated as a “private consumption decision” of adults (such as a pet or a car would be), as if parents did not have legal or moral obligations to spend money on their children’s care. However, some spending on children is simply not discretionary (Boessenkool and Davies, 1998).

The current government of Quebec has resisted the move towards targeting, at least in this matter. It provides a universal non-reimbursable credit for dependent children compensating all parents for the costs considered necessary to satisfy the essential needs of a child. Another way to recognize the contribution parents make to society would be to reinstate the universal tax exemption for dependent children. In this way, the tax system would ensure horizontal equity between families with and without children. Both of these measures go beyond the goal of programs such as the Canada Child Tax Benefit, which seeks to help eligible families with the costs of raising children. Instead, they provide much needed recognition to all families, the first policy goal listed in Box 5-1.

This lack of recognition may already have been costly in terms of polarizing divisions among different types of families. In recent months, two-parent families with a stay-at-home parent, who therefore do not have a deductible child care expense, have loudly complained about their treatment by tax legislation. Their target was the Child Care Expense Deduction, described by its opponents as a “discriminatory” tax advantage given only to families who purchase child care services. Such a reproach fails to acknowledge what the CCED is: a deduction for a necessary cost of employment.

It is not too far-fetched to imagine, however, that such parents might have reacted less negatively if they felt their own contributions, meaning their investments of money and time in their own families, were receiving the recognition they deserve. In the past, such contributions would have been acknowledged with a tax exemption or a family allowance. Now, however, these parents are alone in having to absorb all the financial burdens of choosing to have children and caring for them by themselves (Krashinsky and Cleveland, 1999).

If all the provinces or the federal government were to institute a universal exemption or credit for dependent children, would this achieve other policy goals as well? The answer is yes. Any measure that puts more money into the hands of families increases parental choice about how to best meet their children’s needs. By raising disposable income, it changes the incentives for families who wish to provide their own child care. At the same time, having more money means parents may be able to choose high quality regulated nonparental child care, if spaces are available.

At the present time, as Canadians and their governments consider how and where to cut taxes, it is crucial to pay attention to the fiscal dimensions of the children’s agenda. Therefore, as part of any reallocation of the tax burden:

We recommend a universal credit for taxpayers with dependent children.

Income Tested Child Benefits

Selective rather than universal benefits have come to dominate the Canadian social policy regime. Everything from programs for seniors to those for infants are income tested. Between 1960 and 1992, selective benefits rose from 21 to 52 percent of income transfers, with rates of increase accelerating after 1975 (Banting, 1997).

Such selective income transfers helped to put Canada in the “middle of the pack” for reducing
poverty, as we saw in Chapter 3 (see Table 3-2). Yet, as cross-national comparisons also showed, countries such as Canada and the United States that rely on selective benefits set at a more limited level have a poorer record of reducing poverty than do countries pursuing a more comprehensive strategy for children. Our cross-national analysis has also pinpointed the extent to which policymakers in North America are often concerned about more than cost: they are also fearful the “work ethic” will be undermined (Phipps, 1999; Myles and Pierson, 1997). But unless benefits are generous – that is, paid at a very substantial rate – they will only partly alleviate the situation of the poorest families and will not lift them out of poverty.

The National Child Benefit emerges from this legacy of using selective benefits. It is an initiative of the federal, provincial and territorial governments “to help low-income families with children” and has two goals: to fight child poverty and to help families move from social assistance to employment (Revenue Canada, 1998). The Canada Child Tax Benefit (CCTB) is an integrated child benefit through which Ottawa provides income support to families, whether their income stems from social assistance to employment (Revenue Canada, 1998). The Canada Child Tax Benefit (CCTB) is an integrated child benefit through which Ottawa provides income support to families, whether their income stems from social assistance to employment (Revenue Canada, 1998). The Canada Child Tax Benefit (CCTB) is an integrated child benefit through which Ottawa provides income support to families, whether their income stems from social assistance to employment (Revenue Canada, 1998).

As of July 1999, the maximum possible yearly benefit of $2,018 (including the basic benefit and the National Child Benefit Supplement for low-income families) is paid to a family that has one child under seven, does not take the Child Care Expense Deduction, and whose net family income is not higher than $20,091. Benefits are reduced for families with incomes above that level (see Table 4-2). In addition, the design of the program allows provinces to either deduct the amount of the National Child Benefit Supplement from social assistance payments or tax it. The goal of this provision is to transfer a greater portion of responsibility for income security to the federal government, thereby freeing up provincial funds for “reinvestment” in new or expanded programs. One result is that new commitments to the Canada Child Tax Benefit program in the last two federal budgets have not increased the income of social assistance recipients, except in New Brunswick and Newfoundland where there was no reduction in social assistance payments.

Since some amount of the Canada Child Tax Benefit goes to over 80 percent of families with children, it obviously seeks to do more than reduce poverty. Nonetheless, any federal funds that were added to the CCTB when the pre-existing Child Tax Benefit and Working Income Supplement were merged have gone overwhelmingly to the National Child Benefit Supplement portion of the CCTB. This, plus the fact that the basic benefit begins to be taxed back for families whose net income classifies them as “poor” according to Statistics Canada’s low-income cut-offs (Statistics Canada, 1999) leads us to treat the CCTB as a selective benefit targeted to poor Canadians. Indeed, the federal government describes it as such (Revenue Canada, 1998).

Experts agree that while the Canada Child Tax Benefit is an important new program and might be a useful anti-poverty measure, it will only be truly effective if the amount of the benefit is increased significantly. As it is now, the CCTB does more to signal a philosophical change in how income security is conceptualized rather than signalling a real change in the income situation of families on social assistance who have seen little, if any, improvement.

The level at which the CCTB would truly remove children from social assistance (by replacing all provincial social assistance benefits for children with a child tax benefit and, thereby, preventing the provinces from “taking it back”) is estimated to be $2,500 (Battle, 1998). Therefore, with respect to income tested child benefits:

We recommend that the amount of the Canada Child Tax Benefit be increased significantly.

We also know that the real costs of raising a child are at least $4,000 per year. Therefore, in the
future, further increases in the basic benefit as well as the supplement will be necessary. This recommendation directly addresses not only the goal of reducing poverty but also that of promoting child development. That is why we argue for a higher basic rate, as well as an increase in the low-income supplement. Such an increase would improve the situation of all families who receive a portion of the basic CCTB. If a higher basic benefit were taxed back at the same rate, parents would end up with more money for their children (assuming that “bracket creep” does not affect their marginal tax rates).

**Child Well-being and Healthy Development**

One of the real benefits of the increasing attention to basic developmental questions (coming from studies about population health, brain development, the National Children’s Agenda and so forth) is that it feeds into ongoing and experimental programs for prenatal, infant and early childhood health and development. The focus of such programs is school readiness and the improvement of basic health indicators such as birth weight and breast feeding.

Ottawa has invested in a number of important joint initiatives with the provinces and makes a range of funding arrangements available to community groups as well as provincial agencies. For example, the Canada Prenatal Nutrition Program provides nutritional supplements to high risk mothers in inner city neighbourhoods. Its goal is to improve the chances that children will have a healthy start in life. The Community Action Program for Children, or CAP-C, provides innovative prevention and early intervention programs for high risk children and their families in selected communities across Canada. The projects are chosen and evaluated by a federal-provincial supervising committee in each province and territory and implemented via community partnerships. One of the key goals is to innovate in the areas of coordinated programming. Substantial funds are already going to these programs and to similar ones targeted to Aboriginal children and families.

For their part, provinces have also been experimenting with health and developmental programs, usually focussed on children defined as being at risk. New Brunswick, for example, has Early Childhood Initiatives, a province-wide, integrated service delivery system for prevention-focussed childhood services, targeting children from the prenatal stage to five years of age whose development is at risk due to physical, intellectual or environmental factors, including socio-economic factors. The overall goal of the program is to enhance the development of children before they enter the school system and, thereby, contribute to their school achievement.

Ontario has Better Beginnings, Better Futures, which targets families with young children in eight economically disadvantaged communities. In cooperation with voluntary groups in each community, this program provides home visits, high quality child care and school help. Other provincial programs are offered under larger program banners such as Alberta’s Child and Family Services Authorities, Saskatchewan’s Action Plan for Children and Quebec’s Early Childhood Centres and CLSCs (Centre local de services communautaires).

Some programs are available to all children. For example, New Brunswick’s Early Childhood Initiatives screens all newborns and all children aged three and a half for developmental problems. It is also subject to rigorous evaluation and assessment for its effects on indicators of health and school readiness. This model is not common, however. More frequently, programs are available only in a few communities, where partners have been found or a particular interest may exist.

The result is that some communities in Canada are blessed with an array of health and wellness services for all children: nutrition and prenatal care, well-baby clinics, parent resource centres, high quality developmental child care, recreation programs, and so forth. However, there are huge gaps in the availability of such services in the largest of cities, in smaller ones, and in rural and remote areas. Therefore, with respect to child well-being and healthy development:
We recommend that provinces take the lead in fostering and overseeing a more consistent network of services so that all children have access to the health and developmental monitoring and intervention programs that have been found to have a significant positive effect on child outcomes.

Community Resource Centres

The issue of providing services for children and families is not only one of coverage. There are already many programs and services to support young children and their families in Canada, but often there is little integration or coordination of service delivery, even in communities where programs and services are more readily available. Therefore, services need to be integrated into more coherent networks, a trend that is emerging in some jurisdictions.

In CPRN dialogues with citizens, and in provincial consultations, parents have cried out for a single point of access, single window, or “one-stop-shop” through which they can find the support they require to meet their families’ needs (Michalski, 1999; Thompson, 1999c). In response to this need for both access to support and integration of service delivery, four of the six provinces studied for the Best Policy Mix for Children research either have or are developing what we simply call community resource centres. These centres can be found in Alberta, Ontario, Quebec, and New Brunswick (see Box 2-2 and Table 4-2).

Although each jurisdiction names them differently, these resource centres are all designed to help families meet their varied needs in a user-friendly setting where healthy child development is promoted. Resource centres can serve as important community anchors since they are often located in existing community buildings through shared space arrangements (e.g., community schools, public health clinics, community recreation centres, Early Childhood Centres and CLSCs in Quebec, and so forth). Parents and caregivers can come to find information about community services and activities, receive health and other assessments, obtain referrals to programs and services, participate in social or developmental programs for children, parents and caregivers, or simply “drop in” to mix, mingle and build support and connections in the community.

These centres, with their focus on community health and wellness, can also provide an important venue through which many community stakeholders across the public, private and voluntary sectors can coordinate their actions and efforts to improve the enabling conditions that can lead to better child outcomes. Parents, voluntary agencies, school boards, schools, health centres, employers, unions, and so forth can all use these centres as an anchor from which community needs are identified and local energies are mobilized to meet those needs.

With their focus on child and family health promotion, resource centres can be the site from which prevention and early intervention programs are coordinated or delivered by providers whose work crosses traditional policy domains: health, public health, mental health, education, child development, child welfare, youth justice, housing, recreation, community development, and so forth. This not only increases access to the many supports children and families might need but also increases the integration, or at least coordination, of service delivery functions. In Quebec, for example, CLSCs are community resource centres that offer public health programs and engage in community development and outreach activities. In addition, they sometimes house child care centres.

Although community resource centres are designed to promote child development, they are also an arm in the fight against poverty. With the exception of New Brunswick’s, which are targetted to low-income families, resource centres are wide-reaching community anchors that provide services to all families.

It is widely believed that the presence of a broad-based resource centre in a community increases the
likelihood that families will seek out the help they need, when they need it, because going to it does not identify or label them as poor, at risk or in some way dysfunctional. This increases the chances for the early detection of problems and the early intervention needed to maximize child well-being and, ultimately, improve child outcomes. As well, community resource centres help increase the choices parents have about child care, by identifying services and by providing drop-in programs and other developmental supports. Because of the important advantages for increasing access to information and providing integrated supports and services for children and families:

We recommend that provincial governments take the lead in developing community resource centres by supporting cross-sectoral partnerships that provide integrated, community-based service delivery for children and families.

Fears about the new costs involved in creating resource centres can be allayed by using service delivery partnerships in which numerous providers share existing space, equipment and human resources. This is being done in Quebec and is being implemented in many regions of Alberta. Successful implementation probably requires more in terms of strong political leadership (in which child focused, integrated, community-based services are advocated) than it does in terms of huge new investments in public infrastructure.

Policy Recommendations: A Recap

By contributing to all three enabling conditions that underpin improved child outcomes, policies for children and families form an important part of the blueprint for a coherent societal strategy for children. As we have seen:

- Adequate income, preferably earned income, can be assured by recognizing the costs of raising children, significantly reducing the cost of child care for employed parents, and providing additional income support to families with low incomes or maintenance payments.
- Effective parenting can be supported through improved paid and unpaid parental and family leaves, flexible employment hours and schedules, improved access to health and developmental programs as well as to community resource centres, and enhanced availability of developmental child care and preschool for both employed and stay-at-home parents.
- Communities can provide supportive environments for children through access to reliable education, health, social, and recreational services, by providing integrated delivery for all of these services, by creating “child friendly” spaces and systems, and by collaborating across sectors to promote better outcomes for all children.

All of the stakeholders shown in Figures 1-1 and 1-2 contribute to a societal strategy for children. Governments remain key contributors by helping to build consensus through democratic practices and by including other stakeholders in envisioning and shaping responses to the needs of families and children. Governments can also provide funding to help make things happen. However, it is employers, voluntary agencies and public institutions, as well as parents in their many roles – as parents, community volunteers, board members, and so forth – that will determine the final outcome of a societal strategy for children and, in so doing, determine the extent to which Canada improves the outcomes achieved by its young children.

5.3 Next Steps

A key message of this study is that a step in any direction will succeed only if it is taken in conjunction with others. There is no single policy instrument that will satisfy all the goals listed in Box 5-1. Therefore, we propose the following action steps for deploying policy instruments that work in combination. It is essential to view these action steps as a package that will be fully implemented over time.
The entire package is needed to ensure that the overall policy mix achieves and maintains a correct balance.

At first glance, these steps may seem overwhelming. As challenging as they really are, they can be broken down into short-term steps that can be taken right away and longer-term actions that can be implemented as more resources become available.

1. Separate maternity and parental benefits from Employment Insurance benefits. Either create a separate insurance fund or create a separate compartment within the Employment Insurance program. Transfer a large enough portion of Employment Insurance income to this fund to increase eligibility, lengthen leaves, eliminate the two-week waiting period, and raise benefit levels. Negotiate these changes, where necessary, by using the appropriate intergovernmental institutions.

2. Regulate to improve job protection and pension rights for parents who choose to take unpaid leave. Institute a right to family leave where it does not exist and make it a reasonable length. Educate employers on the benefits of providing supportive family-friendly environments for employees with children.

3. Invest public funds in developmentally and educationally focussed child care infrastructure so that all children can access high quality preschool education. Extend public education to include full-day kindergarten for five-year-olds. Over time, expand this program to make full-day junior kindergarten available for four-year-olds. Reduce the costs of developmental child care so it becomes a truly affordable choice for all families since developmental programs are of value to all children. Find partial funding for new child care spaces by eliminating the Child Care Expense Deduction for parents who use the new low-cost services. Negotiate a federal-provincial agreement using the mechanisms available in the Social Union Framework or other intergovernmental institutions so that Ottawa’s savings on the Child Care Expense Deduction are made available to provinces as they spend money on new developmental child care services provided at no or low cost to parents. Increase funding over time to provide sufficient spaces, at an affordable price, for all of Canada’s young children. Encourage community associations, employers and other stakeholders to participate in the provision of child care and anchor these in community resource centres.

4. Provide sufficient support for child care infrastructure so that it can offer flexible hours, part-time services, and otherwise meet the diverse needs of parents for child care. Transfer the funds that now subsidize informal care in “transition to employment” programs to enable the expansion of regulated services with flexible hours that provide developmental child care.

5. Reinstate a universal tax credit for dependent children, in recognition of the contribution that parents make to society by raising children. This is a simple but vitally important measure that should be part of any tax cut package.

6. Raise the amount of the Child Tax Benefit so it achieves its goal of removing children from social assistance and contributes to the costs of raising children.

7. Encourage a range of stakeholders to develop wellness-based health and developmental services for all children and parents, filling the gaps that now exist. Support the development of community partnerships among stakeholders to collaborate on the provision of integrated services for children and families in community resource centres.

**Measuring Progress**

How will we know children’s life chances are improving? Through outcome measurement and analysis. In the end, any intervention has to be
judged on the difference it makes to child outcomes. This highlights the struggle faced by all policymakers in determining what helps children, or is at least neutral, and points to the need for ongoing evaluation of policies and child outcomes to determine with greater certainty which policies are the most beneficial.

We must continue to learn from the experiences we will create with all the changes in policy that have been made and are being contemplated. This requires careful evaluation. Our ability to measure outcomes, and the factors that contribute to them, is only beginning to develop. Although there still is a long way to go, the National Longitudinal Survey of Children and Youth stands as an independent source of data that can be used by all jurisdictions. This reminds us that it is essential to build a research budget into a societal strategy for children.

Outcome measurement is supported in many different quarters. It is a key feature of the National Children’s Agenda and a requirement of the Social Union Framework. It is also becoming recognized in several jurisdictions as the means by which collaboration can be built among the many agencies that play a role in children’s lives. An important dimension of this is that the use of outcome measurement will make all stakeholders accountable to citizens for improved child outcomes, rather than only having governments accountable to each other.

In concrete terms, how will we know that we are heading in the right direction? Two kinds of evaluation are required: (1) the quantitative and qualitative evaluation of progress made by policies aimed at improving child outcomes and (2) the quantitative measurement of components of child well-being and healthy development. Canada must be able to show that it has succeeded in creating a societal strategy for children that provides the best mix of policies for its youngest citizens. By the year 2010, for example, Canada should be able to demonstrate that:

- Pan-Canadian goals exist for children and families, which are widely understood and actively supported by governments, public institutions, employers, communities and families.
- Parents are enabled to care for their children because these goals provide adequate income, access to help with parenting, and supportive community environments.
- Parents have meaningful choices about how to raise their children and can make what they believe to be the best choices, not forced choices, to meet the needs of their children and families.
- Public policy recognizes the extra financial burden of raising children.
- Federal-provincial financing relationships for early childhood infrastructure are in place and accepted as sustainable.
- Provinces have increased their early childhood infrastructure, measured by the number of regulated child care spaces available, by the number of community resource centres in place, and by a qualitative assessment of both integration across sectors and partnerships within these community networks.
- Employers are actively engaged in supporting families with children, as measured by enhancements to parental and family leave programs and increased flexibility for employees to negotiate employment hours and schedules.
- The Child Tax Benefit has removed all children from social assistance, is alleviating poverty, and is helping more parents support their families with earned income.
- Child outcomes are monitored and evaluated through instruments such as the National Longitudinal Survey of Children and Youth and other research tools.
- Based on the reporting of child outcomes, corrective actions are taken through policy adjustments in the public, private and voluntary sectors.
These are some of the ways that in 2010 we would know that Canada had succeeded in creating a societal strategy for children. Canada would then be on its way to achieving the highest of ratings as a place for children to grow and prosper.

Success will take time. This blueprint for action is not just about one season of federal and provincial budgets. It is meant to shape decisions over the next several years as funding can be allocated and as the capacity to provide key services is created. Canada must stay within the bounds of fiscal prudence and there are other important claims on the public purse for tax cuts and other spending changes, as well as for debt reduction. Nevertheless, we also have the capacity to implement a societal strategy that will provide the best policy mix for all of Canada’s children.

Research evidence and public dialogue have uncovered what is needed. Now the only issue is whether, as Canadians concerned about our children and their future, which is also our future, we are willing to make the necessary commitment to action.
Appendices
Data Sources for Boxes 1-1 and 1-2

Box 1-1: Changing Employment Patterns in Canada


Box 1-2: The Experience of Children in Today’s Families


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1 The data sources shown correspond to the numbered lists of facts shown in Boxes 1-1 and 1-2.
In addition to this study, the following research reports embody the findings of the CPRN Family Network research project, What Is the Best Policy Mix for Canada’s Children? Several of these reports are available at: http://www.cprn.org


Advisory Committee Members
Best Policy Mix for Children

Margaret Biggs
Associate Executive Head
Strategic Policy
Human Resources Development Canada
Hull, Quebec

Peter Clutterbuck
Executive Director
Social Planning Council of Metro Toronto
Toronto, Ontario

Edith Doucet
Director
Office for Family and Prevention Services
Department of Health and Community Services
Fredericton, New Brunswick

Vaughan Dowie
Division Head
Audit and Performance Management
Ministry of Children and Families
Victoria, British Columbia

Bonnie Durnford
Assistant Deputy Minister (Policy)
Saskatchewan Social Services
Regina, Saskatchewan

Claire Fortier
Director, Grants and Fellowships
The Hospital for Sick Children Foundation
Toronto, Ontario

Marie Fortier
Associate Deputy Minister
(formerly Acting Assistant Deputy Minister Policy Consultation)
Health Canada
Ottawa, Ontario

Christa Freiler
Program Director
Child Poverty Action Group
Toronto, Ontario

Nathan Gilbert
Executive Director
The Laidlaw Foundation
Toronto, Ontario

Jessica Hill
Assistant Deputy Minister
Program and Management Division
(formerly Assistant Deputy Minister Integrated Services for Children)
Ontario Ministry of Community and Social Services
Toronto, Ontario

Alex Himelfarb
Deputy Minister
Canadian Heritage
(formerly Deputy Secretary Treasury Board of Canada Secretariat
Office of the Secretary of the Treasury Board and Comptroller General of Canada)
Ottawa, Ontario


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