



## Investing in early childhood development: What's the payoff?

*The early years (from before birth to age five) are the most critical period in a child's development. A child's experiences during this period of time influence how well the brain develops and genetic potential is fulfilled. A child's early experiences and environments have a lifelong impact on everything from mental and physical health to success in school, work and relationships.*

Parents and caregivers play the most important role in providing young children with the nurturing experiences that they need to thrive and do well. But other adults, the community, government and society as a whole play an important role too in creating safe, stimulating early environments and making sure parents have the resources and support they need to raise healthy children.

Positive early development is a shared responsibility that involves everyone working together, including parents, families, community members, businesspeople, service providers, educators, policy-makers and governments.

The benefits of investing in the early years extend far beyond the individual child and family. Giving children a good start in life



strengthens our communities and our economy. Studies in Canada, the U.S. and elsewhere report that supporting positive early development is a solid investment that can reap tangible economic benefits many times the value of the original input — anywhere from seven to 16 per cent a year<sup>1</sup>

Supporting healthy development for all children is not just a moral issue, but a practical consideration that pays off.



### Did you know?

- More than one in four children in Alberta and Canada are struggling in their development by kindergarten.
- Children who grow up in impoverished and disadvantaged homes are more likely to experience difficulties in development. BUT, the **greatest number** of Canadian children who are experiencing developmental difficulties come from middle-class homes because of the sheer size of the middle class in Canada.
- Making sure that **all children** have the supports, programs and services they need for healthy development is the best way to ensure that no children are left behind.

<sup>1</sup> World Bank 2010 report, as cited in The Conference Board of Canada. (2012). *Employer Involvement in the Health and Well-being of Children and Youth*. Ottawa: The Conference Board of Canada. p. 4.

# Weighing the benefits of positive early development

Studies show that children who grow up in safe, caring, developmentally rich environments are:

**more likely to**

do well in school,

pursue further education or training,

have better jobs, earn more and pay higher taxes,

be physically and mentally healthy throughout their lives,

become good parents,

develop strong, positive social relationships,

have better coping and problem-solving skills.

**less likely to**

require remedial education or special programs in school,

drop out of high school,

need social assistance or other income supports,

suffer from heart disease, Type 2 diabetes, high blood pressure, mental illness, depression and other acute and chronic illnesses,

abuse or neglect their children,

experience behavioural issues,

commit crimes as juveniles or adults,

become addicted to alcohol or drugs.



## What the numbers say

**\$1 = \$3 = \$8**

That's the return on investment in early childhood programs, according to U.S. economist and Nobel Prize winner James Heckman. Heckman calculates that \$1 invested in early childhood is equivalent to \$3 spent on school-aged children and \$8 on young adults.<sup>2</sup>

**20%**

The economic costs of delayed development could be as high as 20 per cent of Canada's GDP over the next 60 years as young children fail to reach standard benchmarks of development.<sup>3</sup>

Taxpayers in Ontario saved nearly \$1,000 on public services for every child who participated in the Better Beginnings, Better Futures program by Grade 9. The enriched, community-based pilot program for children aged four to eight in three disadvantaged communities is expected to show even higher cost savings as the children who participated grow older.<sup>6</sup>

**\$938**

**50%**

The child poverty rate in Quebec was reduced by half after the province introduced quality, low-cost early childhood care, as well as before- and after-school programming. Tax revenues from mothers who were then able to enter the workforce covered the cost of the programs.<sup>4</sup>

**\$7.7 billion**

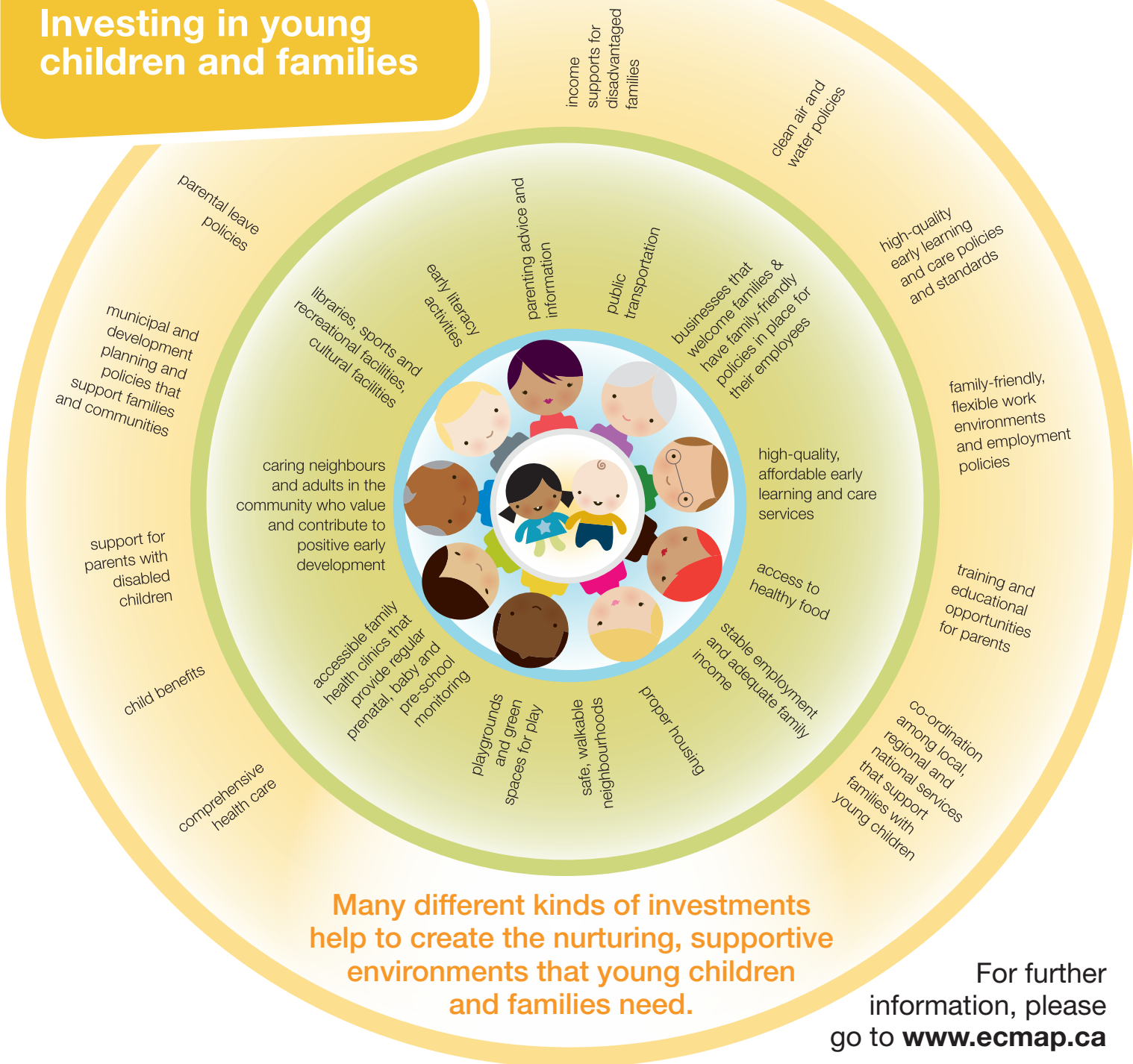
Improving the high school completion rate in Canada by one per cent would save \$7.7 billion annually (in 2008 dollars) in social assistance, costs of crime, lost earnings, tax revenues, employment insurance and other public expenditures.<sup>7</sup> About one in five students in Alberta and Canada fail to graduate from high school.<sup>8</sup> Studies show that children who do well in their early years are more likely to complete high school.

**94%**

The percentage of elementary school children who were diagnosed with behaviour disorders every year in Revelstoke dropped by 94 per cent after the B.C. town mobilized to promote positive early development. Revelstoke has one of the lowest rates of young children experiencing developmental difficulties in the province.<sup>5</sup>

- 2 Government of Alberta. (2011). *Shaping Alberta's Future: Report of the Premier's Council for Economic Strategy 2011*. p. 59. Retrieved from [http://www.albertacanada.com/files/albertacanada/ShapingABFuture\\_Report.pdf](http://www.albertacanada.com/files/albertacanada/ShapingABFuture_Report.pdf)
- 3 Kershaw, P. et. al. (2010). "Economic Costs of Early Vulnerability in Canada." Cited in *Employer Involvement in the Health and Well-Being of Children and Youth*. p. 4.
- 4 McCain, M.N., Mustard, J.F., & McCuaig, K. (2011). *Early Years Study 3: Making Decisions, Taking Action*. Toronto: Margaret & Wallace McCain Family Foundation. p. 2.
- 5 EMap. (April 2011). "Revelstoke: The little community that could." *Steps Newsletter*. Edmonton, AB: EMap, University of Alberta. p. 3.
- 6 Roche, J., Petrunka, K., & Peters, R. DeV. (2008). *Investing in Our Future: Highlights of Better Beginnings, Better Futures Research Findings at Grade 9*. Kingston, ON: Better Beginnings, Better Futures Research Coordination Unit. p. 19.
- 7 Park, D. E. (2010). *Economic Aspects of Development and Prevention of Criminality Among Children and Youth*. New Westminster/Vancouver, B.C.: Justice Institute of British Columbia and the Vancouver Board of Trade. p. 56.
- 8 Government of Alberta website. Retrieved from <http://ideas.education.alberta.ca/hsc/about/>

# Investing in young children and families



Many different kinds of investments help to create the nurturing, supportive environments that young children and families need.

For further information, please go to [www.ecmap.ca](http://www.ecmap.ca)



## Mapping a bright future for Alberta's young children

ECMap is funded by the Government of Alberta and is part of the province's Early Child Development Mapping Initiative. ECMap is led by the Community-University Partnership, University of Alberta.