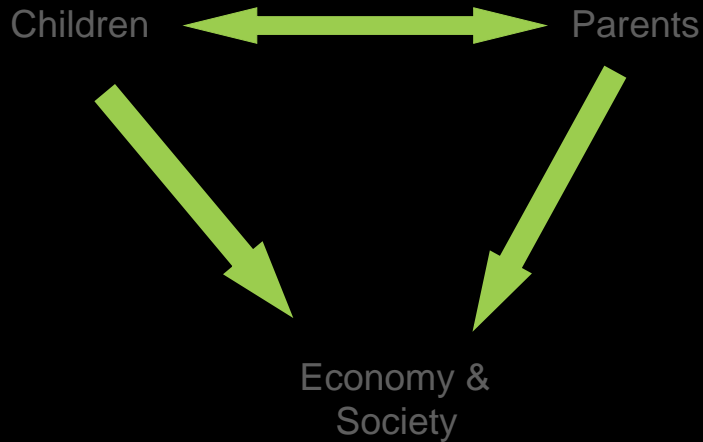


Early Childhood Education

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SVP & Chief Economist
October 2012

CANADA HAS AN ESSENTIAL SKILLS CHALLENGE

THE BENEFITS OF EARLY CHILDHOOD EDUCATION ARE WIDESPREAD



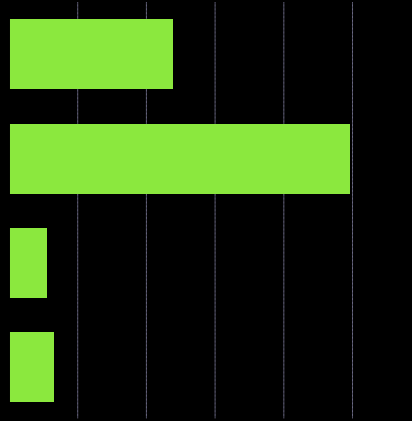
THE FIRST 5 YEARS OF LIFE CAN IMPACT ECONOMIC AND SOCIAL SUCCESS

!Research has challenged prior misconceptions. Human abilities driven more by environment (80%) than genetics (20%)

!Basic abilities can be altered early in life as genes respond to life experiences

!It is more difficult to improve a child's learning abilities later in life

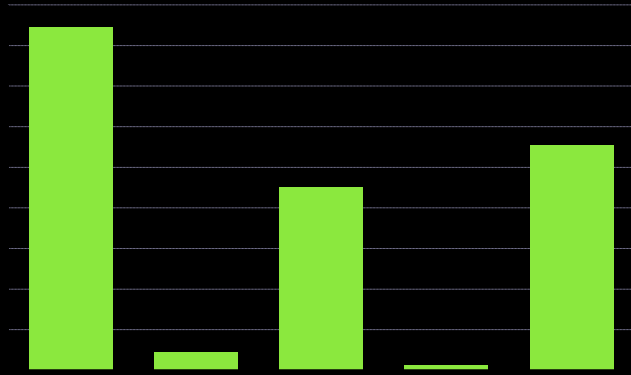
PRE-PRIMARY EDUCATION PROGRAMS IMPROVE COGNITIVE AND LANGUAGE DEVELOPMENT

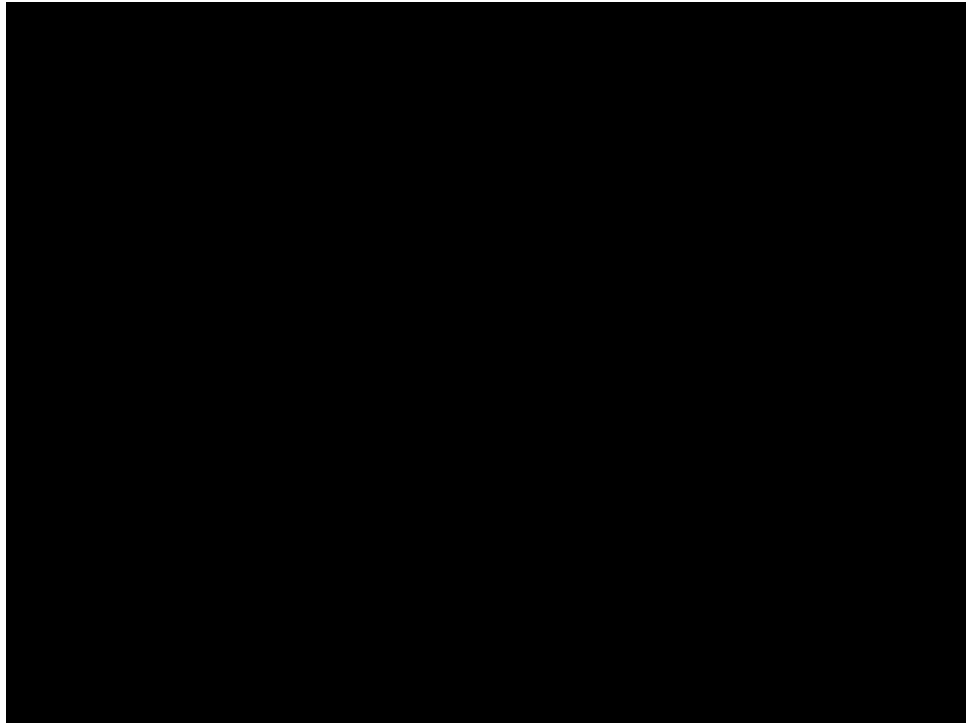


ECONOMY NEEDS MORE SKILLED WORKERS

- !Population is aging, labour force growth is slowing
- !Labour shortages will be encountered
- !Virtually all net job creation will be for PSE graduates

AND CAN RESULT IN LOWER SOCIAL COSTS





**WHILE UNEVEN ACROSS THE COUNTRY, THERE IS
PUBLIC FUNDING FOR ECE PROGRAMS**

ALL THIS SUGGESTS THAT CANADA IS UNDERINVESTING

!To move more in line with other comparable OECD countries, public investment in early childhood education in Canada would have to rise by \$3-4 billion

BUT GOVERNMENTS NOT IN POSITION TO BOOST SPENDING

