

# The brain drain on the economy may be child's play

BY PETE MCMARTIN, VANCOUVER SUN    SEPTEMBER 16, 2009

Usually, we parents don't look at our little darlings entering kindergarten in terms of being effective contributors to the economy.

We may have to reconsider.

We may be raising a generation of economic underperformers whose habits are set well before they reach school age. In the future, it may cost us and the economy big time.

According to a recent study of kindergarten-aged children commissioned by, of all people, the B.C. Business Council, University of B.C. researchers with the school's Human Early Learning Partnership found that so many children entering kindergarten fail to meet the usual developmental benchmarks that they represent an enormous in-house brain drain on the province's economy.

These are not small numbers. According to the HELP study, which tracked 140,000 students over a decade, just under 30 per cent of B.C. children entering kindergarten are "developmentally vulnerable" -- lacking in those basic skills they need to thrive in school and in the future. The study considers a rate of child vulnerability above 10 per cent as "biologically unnecessary."

"Economic analyses," the study states, "reveal this depletion (in human capital) will cause B.C. to forgo 20 per cent GDP growth over the next 60 years.

"The economic value of this loss is equivalent to investing \$401.5 billion today at a rate of 3.5 per cent interest. Unnecessary vulnerability in B.C. is thus costing the provincial economy a sum of money that is 10 times the total provincial debt load."

That loss in human capital could mean the difference of B.C. being in the economic forefront of developed nations in the future or being mired somewhere in the underperforming middle of the pack.

The study, entitled A Comprehensive Policy Framework for Early Human Capital Investment in B.C., is to be released next week. One of its authors, Prof. Paul Kershaw, said those children identified as being developmentally vulnerable as they enter kindergarten are less likely to go on and pass their foundation skills assessment test in Grades 4 and 7, and more likely to not show up to even write their tests.

"We know from statistical linking," Kershaw said, "that people who do badly in these [tests] more often than not don't go on to university. The more that children are less school-ready, the more they are less job-ready.

"The question we have to ask ourselves in light of this high rate of developmentally vulnerable children is, how do we go about creating human capital?"

In the past, Kershaw said, we have been looking at the value in education all wrong -- completely

backwards, in fact. It used to be, he said, that governments hoping to stimulate economic activity would throw the bulk of their resources behind secondary and post-secondary education.

But the most effective use of educational funds to stimulate the economy, Kershaw said, would be to invest in the early years, even before kindergarten, when children's work and study habits are most malleable.

"The early development research," the report states, "is now so compelling that there is a growing consensus among economists, such as Nobel laureate James Heckman, that the most cost-effective human capital interventions occur among young children."

It was not, Kershaw said, a question of individual parenting skills, or, to a great degree, of economic background.

While the poor are more statistically likely to be vulnerable, he said, the majority of such children in B.C. come from the more populous middle class.

"Vulnerability," then, would not seem to stem from parents, but the way society has structured parenting as we know it now. The 1950s nuclear family where Mom stays home with the kids is dead: the single parent or double-income family is the norm. The result is less family time, and the outcome, "vulnerability."

Yet it is fruitless, Kershaw maintains, to want to turn back the clock. The economy dictates against it.

"This nostalgia," the report maintains, "ignores the current reality; most mothers today are employed, helping to compensate for real declines in male wages, or in order to stave off persistently high rates of child and family poverty. As mothers allocate more time to employment, households struggle with less family time, in part because fathers have not managed to fill the care void. For men and women alike, work/life conflict is pervasive irrespective of earnings, and time to care personally is a common casualty."

Nowhere in Canada, Kershaw said, are those work/life conflicts greater than in B.C. We devote more to our workplaces, and workplaces demand more of our time, than anywhere else in the country.

How to offset that time imbalance and make our children less vulnerable?

AMONG ITS RECOMMENDATIONS, THE REPORT CALLS FOR:

- Extend parental leave from a year to 18 months, with additional months for fathers.
- Redefine full-time work for parents with children over 18 months "to accommodate shorter annual working hour norms without exacerbating gender inequalities in the labour market."
- Increase income support for poor families with children.
- Increase affordable daycare services.

In other words, make policies that allow parents to maximize the time they can spend with a child during

his or her earliest years, and during a parent's leave, and provide support when the parents return to the workforce.

The cost of these recommendations? About \$3 billion annually, the study estimates. The cost of maintaining the status quo?

More generations of vulnerable children, Kershaw maintains, and an economy to match.

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