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## APPENDIX I – DETAILED ANALYSES OF FEDERAL, PROVINCIAL AND TERRITORIAL PUBLIC REPORTING

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In this section of the report we summarize data from the federal, provincial and territorial (FPT) public reports related to early childhood development, including child care services. The summary provides a common framework for analysis, helping the public to assess the extent to which the FPT Agreement commitments are met and services for young children and their families are improving as a result.

The common framework links the *words* used in public reports with the *results* achieved and evidence provided by both financial and non-financial data (indicators).

While our analysis spans agreements related to early childhood development (ECD) overall, including early learning and child care (child care services), our attention is specifically focused on the latter.

We used the following methodology to conduct our detailed analyses, the results of which are summarized in the project report:

1. Based on the FPT Agreement commitments and a review of the existing public reports, we developed a high-level, simplified investment chart to track annual expenditures in the three major areas of ECD investment we observe in the public reports: early learning and child care services, income supports paid directly to families, and all other ECD programs and services.
2. We confirmed with the FPT Directors responsible for child care which public reports were available as of August 24, 2007, and based our analyses on these reports. Two provinces received brief extensions to complete this confirmation process.
3. We started the analysis by listing all of the individual programs and investment information from each public report on a detailed spreadsheet. Next, we divided the programs into the three categories described above. Finally, we totalled the spreadsheet and prepared the summarized investment chart. Summary charts for each jurisdiction are provided in this Appendix, supporting the public in tracking the changes in total investment in each major expenditure category throughout the required reporting period (2000/01 through 2005/06). While our original investment chart proposed to show annual changes in investment rather than total investment in each year, several public reports lacked comparative financial data on which the annual change could be calculated. In order to minimize blank spaces in the investment chart, we therefore chose to report the total investments in each year.
4. The total investment in ECD programs is then broken down into two components: the federal transfers and the resulting provincial contribution. This calculation supports the public in understanding the extent to which increased investments were funded through federal transfers and/or provincial contributions.
5. The FPT public reports do not always clearly include the amount of federal transfers received. Therefore, in order to ensure a consistent analysis all federal transfers are taken from the federal

government's web page titled "Federal Transfers to Provinces and Territories" available at <http://www.fin.gc.ca/FEDPROV/fsce.html>. This web page has been used throughout the project to inform stakeholders about the availability of, and commitments regarding, federal transfers for ECD. The information is updated periodically to reflect population changes, so there may be minor differences between the federal transfers reflected in this report and those in some of the FPT reports.

6. The summary investment chart includes federal transfers in the year of receipt, as outlined in the above noted web page, except for transfers under the 2005 Bilateral Agreement. The web page table allocates the latter transfers between 2004/05 and 2005/06, but we have included them in 2005/06 as that's when they became operational for, and are generally recognized by, provinces and territories. Furthermore, for provinces and territories that have completed their public reporting through 2005/06, we separated federal transfers under the ECD/Multilateral Agreements from those under the now-terminated Bilateral Agreements. Public information, such as the web page referenced above, does not clearly define the timelines for investing the latter federal transfers in early learning and child care services. As a result, for 2005/06 we chose to separately identify the extent to which the Bilateral and the ECD/Multilateral federal transfers are not yet invested in ECD, including child care services.
7. In order to further clarify the increased investment in ECD, and the impact on child care services specifically, two calculations are carried out on the publicly reported financial indicators: (1) change in investment over baseline (2) proportion of total ECD investment expended in each of the three categories. As some public reports do not total the expenditures on individual programs, we have also included that calculation where required.
8. We then turned to the publicly reported non-financial indicators to assist in assessing the progress on early learning and child care services, particularly for availability, affordability and quality as required in the Multilateral Agreement. We looked for comparative information (i.e. information that could be compared for at least two years). Again, all non-financial indicators are taken directly from the public reports (although for summary and highlighting purposes we may not have extracted all of the indicators included in some reports).
9. Finally, our project methodology and resulting analyses were submitted to an external reviewer, Gordon Gray, CGA, whose report is included in Appendix 2.

Key points arising from our analysis:

1. The investment chart is not complete for some provinces and territories for one or both of the following reasons:
  - The public reports for some years are not available.
  - The financial information is not clear, consistent and/or comparable in significant ways (for example, there are information gaps because major program expenditure information is missing for one or more years).

In the latter situations, we chose to leave the investment chart blank rather than make substantial assumptions about how funds may have been invested. We have provided brief explanatory notes highlighting the information gaps and challenges, as well as observations on the extent to which federal transfers are not yet invested or otherwise fully accounted for. It is also important to point out that, when the financial indicators are not clear, the non-financial indicators assume greater importance in helping the public to track progress.

2. In August 2007, FPT governments received the standardized template used to summarize our financial analysis.<sup>52</sup> Yet, as this project promotes dialogue between stakeholders and governments, it is reasonable to ask if we engaged in discussions with provinces and territories about the specific information gaps identified in the public reports as our analyses unfolded. We acknowledge that it was tempting to do so. Positive working relationships between the Child Care Advocacy Association of Canada and various government staff and elected officials were initiated or maintained throughout this project, and we understand the importance of collaboration. Furthermore, we respect the challenges all governments face in trying to both improve services and effectively report on those improvements at the same time. However, the purpose of this component of our project work was to assess the extent to which the FPT Agreement commitments have been met based on *public* information (i.e. FPT public reporting) not *private* information (i.e. adjustments to or explanations of public reports based on our private discussions with governments). Not only did we not have the time or resources to engage in this level of activity, it was beyond the mandate of this project to serve as an explanatory communication vehicle for governments' public reports. Nonetheless, in order to support ongoing dialogue between stakeholders and governments about public reporting, we provided our detailed financial analyses to FPT Directors and the CCAAC Director in each jurisdiction prior to this report's release.
3. Every effort has been made to accurately extract consistent and comparable financial and non-financial indicators from various sections of various FPT public reports. It is possible, however, that from governments' perspective some have been missed or misinterpreted, in which case we encourage governments to think about how the data could be more clearly presented in the future.
4. Where different figures are used to describe the same program in different annual reports, and no explanation to the contrary is provided, the most recent figure is included in our summary.
5. Totals in the following charts may not add due to minor rounding differences.

The detailed analyses on the following pages are listed in the order in which the federal transfer tables are provided on the federal government's web site, referenced above.

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<sup>52</sup> The Open Letter to Ministers and FPT Staff Responsible for Early Childhood Development, Learning and Care (ECDLC) Services, August 2007, can be accessed at: <http://www.ccaac.ca/mtc/en/pdf/Open%20Letter%20Aug%207%20ENG.pdf>