

Canada needs a childcare system for recovery and beyond ^[1]

The future of our labour force rests on building accessible, affordable childcare

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AVAILABILITY

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 Bezanson-Bevan-Lysack-Canada-childcare-system.pdf ^[4]	171.84 KB

Excerpts from introduction:

Childcare is key to Canada's capacity to reopen and rebuild from the COVID-19 crisis. As provinces and territories emerge from lockdown, new childcare challenges compound pre-existing ones, threatening to hobble economic reopening and to entrench gender-regressive economic outcomes. Federal leadership is urgently required both to stabilize existing childcare and to build toward a childcare system that will stimulate and sustain economic recovery. The decisions that governments make in the coming months about childcare system-building will be era-defining, and will have generational ripple effects.

When the COVID-19 crisis hit, women were the first to be pushed out of the labour market by job losses or called out to provide care at home – what some call a “pink-collar recession” or “she-cession.” Without immediate investments and long-term planning for system-building in childcare, women will be both the first out and last back to work. Such an outcome will yield massive consequences at the household and macroeconomic levels, including stunted economic growth, decreased taxation revenues for governments, and increased poverty for women and children.

Canada does not have a national childcare system. This reality has become clearer over the course of the COVID-19 pandemic and the ensuing medical and economic crisis. Pre-pandemic, about 64 per cent (1.4 million) of Canadian children aged 0-5 regularly used paid non-parental childcare. There were regulated centre-based spaces for about 29 per cent of Canadian children ages 0-5, and regulated spaces (centres and home-based settings) for about 27 per cent of children aged 0-12. Where Canadian parents lived often determined childcare affordability, with fees for infant care ranging from a monthly median cost of \$179 in Montreal to \$1,774 per month in Toronto.

Redressing the patchwork accessibility, uneven affordability and variable quality of childcare will stimulate both typically male employment in built infrastructure spending (such as constructing and retrofitting childcare centres) and typically female employment in social infrastructure spending (such as employment in the childcare sector as well as women's ability to rejoin the labour market). Building a childcare system will also protect Canada's economy against the care vulnerabilities revealed by the pandemic.

Five steps should be immediately taken:

- Restore pre-COVID-19 capacity via investments in necessary operational, safety, wage and staff funding for regulated spaces;
- Restoring capacity must involve building satellite-to-permanent spaces via investments in alternative additional sites to provide safe delivery with lower child-to-staff ratios, and then begin repurposing these for long-term system expansion;
- Employ flexible, safe and smart improvisation for summer 2020 via assistance for summer (July and August) programming for regulated childcare and camp programs for school-aged children;
- Plan school-to-care coordination that expands childcare capacity to full days for school-aged children where full-time school attendance is unavailable due to physical distancing requirements; and
- Immediately appoint and deploy a federal Childcare Secretariat to develop, collaborate and build toward a national system of childcare for all Canadian children that need it.

Fiscal Year 2020-21: The immediate term

Among the chief features of our patchwork childcare system are uneven access, affordability and quality, and a largely low-waged female labour force. In the immediate term, the capacity of the economy to move from pause to restart hinges on childcare. In the long term, the capacity of the economy to move from restart to sustained recovery requires building a national childcare system.

Heading into the COVID-19 period, the labour force participation rate of women whose youngest child was under six was more than 75

per cent. During the COVID period, for households where working from home has been possible, such combinations of work and care for young children are wholly unsustainable. Moreover, Statistics Canada estimates that 61 per cent of the Canadian labour market cannot work remotely and those that can are more likely to be in higher income or higher education categories. Return to work – and economic recovery – thus hinge on supporting and building the childcare sector.

The pandemic has further destabilized a childcare sector that is precarious in the best of times, due to its heavy reliance on parent fees for revenue, its personnel challenges owing to factors such as low wages, its access and affordability barriers, and the difficulty in redeploying spaces temporarily filled by the children of workers deemed essential in the pandemic. All this is compounded by having to ration services to many in its care pre-COVID. Significantly, parental fear of infection may result in parents – usually mothers – being forced to decide about their labour market engagement on safety grounds as well as access grounds. There is a pressing need for comprehensive guidelines for safety practices, and national near-term funding for adequate staffing and cleaning, enhanced wages that attract and retain workers, and additional spaces.

The remaining months of the fiscal year require adaptive, creative, collaborative and coordinated planning, as well as direct financial support to the childcare sector. The current estimated federal spending for childcare is nearly \$400 million for the fiscal year beginning on April 1. Additionally, the federal government promised \$535 million in additional annual spending in its second mandate to create 250,000 new spaces for before- and after-school care, and pledged to reduce fees by 10 per cent; however, these allocations have yet to be specified.

On June 5, the prime minister announced a Safe Restart transfer of \$14 billion to be negotiated with provinces and territories for supports to key areas, including childcare. This transfer is geared to addressing COVID-related safe reopening supports over the coming six to eight months.

In the immediate term, at least \$2 billion (about 14 per cent) of the recently announced \$14 billion transfer should be directed to childcare, and it must be spent on restoring the regulated childcare sector to pre-COVID availability. The \$535 million for before- and after-school care should be directed both to school-aged childcare for summer 2020 as well as full-day school-aged childcare owing to physical distancing rules and reduced school schedules in the fall.

Federal childcare funding should be incremental to existing provincial/territorial funding and directed to these areas:

- Operating costs of regulated centres and spaces that closed during pandemic, which face rental debt/arrears on reopening, and whose revenues decreased due to lower ratios of children to care providers and fewer children (meaning fewer parents paying fees)
- Funding for additional hiring of early childhood educators (ECEs) and qualified care providers, as well as increased cleaning capacity/staff
- Workforce strategy with wage enhancements to attract and retain additional workers to offset both decreased ratios and subsequent system build-out
- Education, training and employment programs to build the required ECE workforce
- Funding for personal protective equipment for care providers
- Funding to assist in securing alternative sites for care delivery owing to lower ratios
- Physical infrastructure investment to expand the current childcare footprint, particularly for preschool-aged children
- Establishing a Childcare Secretariat and any needed staff, and setting aggressive capacity-building targets for stimulus system-building.

Summer 2020 also poses unique challenges for families. A portion of the \$535 million planned for before- and after-school childcare should be redirected to establishing capacity and support for summer programming and camps at municipal levels or delivered by accredited organizations that comply with safety-related regulatory mechanisms. Schools and childcare must also begin collaborative planning now as the fall re-entry will likely mean an increased need for full-day school-aged childcare as boards of education make decisions about ratios and alternating days or times of class.

The Childcare Secretariat: For medium-term pandemic recovery and long-term system building

Building a national childcare system requires establishing a Childcare Secretariat to aggressively plan and build capacity in the childcare labour market, in physical stock, and in balancing accessibility, affordability and quality. This Secretariat should sit at the centre of government as it will be crucial to economic recovery and to stimulating women's employment – in terms of returning to the labour market, in terms of the supply of ECEs, and in terms of girding the economy against the care vulnerabilities exposed by the crisis.

The Childcare Secretariat would help the government meet the macroeconomic challenges of stimulus and recovery: it will direct spending to social-infrastructure that will stimulate traditionally male and female employment. Building childcare systems will necessarily entail investing in built infrastructure (new centres, retrofits and supply-chain inputs) as well as social infrastructure and human capital (ECEs, cooks, cleaners, transit workers, snow clearing, etc). It will permit women to enter and re-enter the labour market, decrease women's and children's risk of poverty, increase their capacities to form and maintain autonomous households (a key variable in combatting domestic violence), increase employment (including for women), increase taxation revenues for all levels of government, and deliver the child-specific salutary outcomes that high-quality childcare provides.

The system-building measures and investments put in place for both re-opening the economy and motivating the recovery will also serve as a sturdier platform from which to build out the rest of a national childcare system over the next five years. System-building will include elements such as more licensed spaces in expanded physical spaces, greater affordability for parents, and wage enhancements that recognize the essential and fundamental nature of ECE work. These requisite elements of a renewed and rebuilt system compel additional

government investments, which the Secretariat should be charged with enumerating and defining as part of the government's overarching objective to build out the required system in time for the 2021-22 fiscal year.

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