

Child-care costs in Canada among highest in the world, OECD says^[1]

Report on economic status of young people concludes child-care costs are a problem

Author: Evans, Pete

Source: CBC News

Format: Article

Publication Date: 21 Oct 2016

AVAILABILITY

Access online^[2]

Excerpts

Canadian families spend almost one-quarter of their income on child care, a ratio that is much higher than in other parts of the world, the Organization for Economic Co-operation and Development says.

...

Across the OECD, the average two-income family spends about 15 per cent of its net income on child care. In Canada, that ratio is as high as 22.2 per cent of net income. That's higher than all but five countries that the OECD monitors. The U.K. led the way, where the average two-income family spends 33.8 per cent of its money on child care.

...

Only two countries — the United States and Ireland — fare worse than Canada, with ratios of 52 and 41 per cent of single parents' income on child care.

Disincentive to work

"Such high costs are a strong deterrent to employment," the paper says. "It may not be financially worthwhile for both partners to work, especially in families with several children."

...

The OECD says child-care costs are a major issue for young people, since many are forced to take time away from the workforce while their children are young. "It is usually the mother who stays at home," the report says. "Resuming employment after some years out of the workforce is difficult, and women often face wage penalties upon their return to work."

...

The paper singles out a number of programs for having shown quick and easy benefits:

- In Denmark, municipalities are obliged to offer all children older than six months a place in publicly subsidized child care.
- In Sweden, municipalities must provide at least 15 hours of childcare per week to children over one. This obligation rises to full-time hours in cases where both parents are employed or in education.
- In Iceland, the government provides greater subsidies for single parents needing child-care spaces.

Related link: Society at a Glance 2016^[3]

Region: Canada^[4]

Tags: affordability^[5]

cost^[6]

workforce participation^[7]

Source URL (modified on 19 Jun 2024): <https://childcarecanada.org/documents/child-care-news/24/05/child-care-costs-canada-among-highest-world-oecd-says>

Links

[1] <https://childcarecanada.org/documents/child-care-news/24/05/child-care-costs-canada-among-highest-world-oecd-says>^[2]

<https://www.cbc.ca/news/business/oecd-child-care-costs-1.3815954>^[3] <https://childcarecanada.org/documents/research-policy-practice/16/10/society-glance-2016>^[4]

<https://childcarecanada.org/taxonomy/term/7864>^[5] <https://childcarecanada.org/category/tags/affordability>^[6]

<https://childcarecanada.org/category/tags/cost>^[7] <https://childcarecanada.org/category/tags/workforce-participation>