

# Released today: Powering growth: Economic benefits from Canada's \$10-per-day early learning and child care program by Dr. Jim Stanford, Economist and Director, Centre for Future Work <sup>[1]</sup>

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## AVAILABILITY

[Access online](#) <sup>[2]</sup>

Report shows new \$10aDay Child Care Plan is having significant impact on Canada's Economy

OTTAWA, November 25 2024 – Canada's new \$10-per-day national early learning and child care (ELCC) program is only two years old, but the program is already making a measurable difference to Canada's economy.

That is the conclusion of a new report by Dr. Jim Stanford from the Centre for Future Work in Vancouver, released today by Child Care Now.

The report, *Powering Growth: Economic Benefits from Canada's \$10-per-day Early Learning and Child Care Program*, catalogues statistical data on several dimensions of the economic impact of expanded ELCC services (comparing 2024 outcomes to pre-pandemic levels).

Major findings include:

- Over 40,000 net new jobs have been created in the ELCC sector since 2019, making it the sixth-largest source of new employment in Canada over this time.
- Earnings and hours of work for ELCC workers are also improving thanks to improved funding. Aggregate earnings for ELCC workers will total over \$8 billion this year, boosting consumer spending throughout the economy.
- Female labour supply has increased in line with expanded ELCC services, through two channels: improved labour force participation, and more full-time work. Combined, this has increased female core-age (25-54) labour supply by 175,000 full time equivalents.
- The combination of increased ELCC activity, expanded spin-off work (in upstream supply chains and downstream consumer industries), and enhanced female employment has raised Canada's national GDP by \$32 billion (or over 1%) since 2019.
- The new GDP supported directly and indirectly by expanded ELCC services prevented Canada from entering a technical recession in the second half of 2023.
- The dramatic reduction in ELCC fees under the program reduced Canada's national inflation rate in 2022 and 2023, and likely contributed to the Bank of Canada's interest rate cut starting in June.

"Canada's \$10-per-day ELCC program is still in its early days, but it is already having a noticeable and positive impact on Canada's macroeconomy," Stanford said. "These benefits will get larger in future years as the program continues to roll out."

"Canadians often assume the main drivers of economic growth are industries like resources and manufacturing. This evidence shows, however, that ambitious expansion of ELCC services has in fact been a leading light of Canada's economic performance since the pandemic," he added.

"Research has long shown that accessible and high-quality ELCC unleashes economic benefits through multiple channels, including new jobs in ELCC, increased female employment," said Morna Ballantyne, Executive Director of Child Care Now. "And we know from the stories of parents who are now accessing licensed child care that their lives have been made more affordable because of the \$10aDayChild Care Plan."

"That is why Child Care Now is calling all governments and political parties to bring about universal access, and to improve the quality of programs through better compensation and working conditions for those who work in the sector," said Ballantyne.

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