



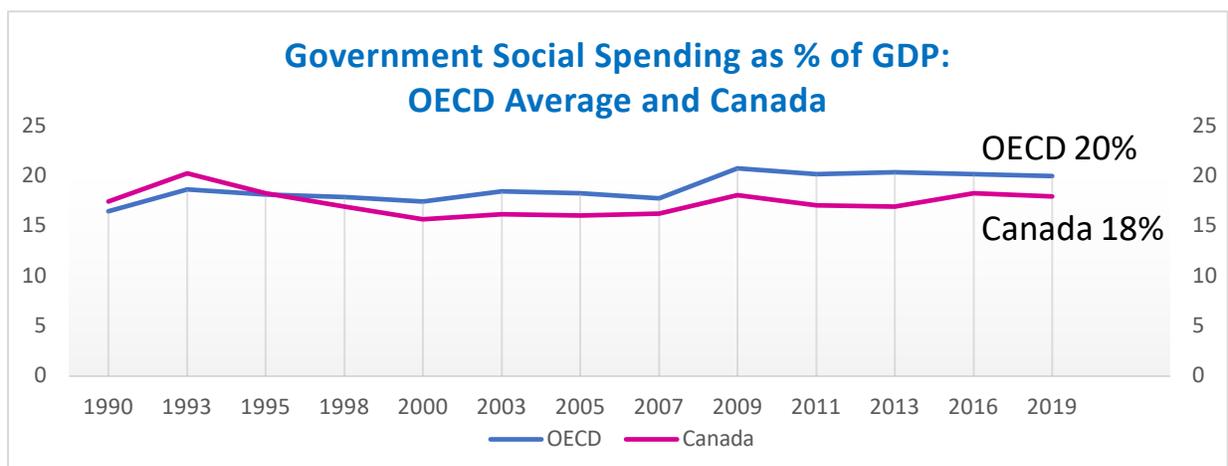
Why the Care Economy is Central to the 2021 Federal Election

Among wealthy countries, Canada is a laggard in providing for care. Canada now spends a smaller proportion of national income on social services (18%) than it did in the early 1990s (20%). Since the mid 1990s, Canada has consistently spent less on social programs than the average for OECD countries. Even the US government spends more on social programs than Canada does.

The Covid-19 pandemic graphically revealed the significance of the Care Sector both to people's health and to the strength of our economy. It demonstrated how years of inadequate spending and planning on Long Term Care meant a disproportionate number of residents and staff died. It showed that with slow and inadequate action on the provision of Childcare many women were prevented from participating in paid work. And, the pandemic highlighted poor working conditions and showed that inadequate planning for labour meant chronic labour shortages escalated.

Governments have long recognized these are major issues, often establishing commissions that delivered numerous recommendations. But substantive, coordinated planning for the care sector has been repeatedly postponed or promised too far into the future. **We need a new vision for the role of care in Canada and the upcoming Federal election provides an opportunity for real change now.**

If Canada became just 'average' - by spending 2% more of GDP on social programs - it would mean \$46 billion more for care.



The most important reason for making the care economy central to the election is the **need to ensure we have the care services and labour force we need**. And that means recognizing that the conditions of work are the conditions of care.¹

The other important reasons relate to its significance to the economy.

- The care infrastructure is the biggest employer in the economy, with the industrial sectors of health, social assistance and education accounting for at least 21% of the total paid labour force. These numbers do not include the crucial contribution to the economy of unpaid care work.
- The care sector accounts for at least 12% of the GDP, contributing more to the total income of the economy than sectors such as manufacturing, oil and gas, and finance.
- While governments and business recognize the need for 'shovels in the ground' during an economic crisis to create jobs for men, a similar investment in care will have a greater over-all multiplier effect. The care economy is labour-intensive and each dollar invested in this sector has a bigger impact than other types of infrastructure spending.
- Planning for immediate needs and those anticipated long into the future will contribute to the economy in another significant way. The care economy, which ramps up or down according to need, acts as an automatic stabilizer in economic downturns.
- For the most part (with the exception of the hospital sector) the care sector represents 'green' jobs and contributes less to GHG emissions than jobs that are usually associated with infrastructure spending. Investing in a well-planned care economy will permit economic growth with fewer environmentally negative implications.

The 2021 Election needs to focus on the lessons learned from the pandemic. **The federal government should lead the way by providing funding and designing programs that are conditional on meeting shared standards for decent work and for the adequate care of all.** This must be available for all residents of Canada and be designed to provide specialized care for those with the greatest needs.

The Election 2021 goal is to ensure universal care coverage that is so secure that in the future it is considered a right, as a resident of Canada, and not an issue that is continually presented as a partisan matter or a debatable issue in elections.

For more information and resources see: www.thecareeconomy.ca

¹ Critical to Care: The Invisible Women in Health Services (2008) Armstrong et al, pg 10