



## The Care Economy Data Room: Early Learning & Childcare

At last count, the Care Economy\* accounted for [12.75% of GDP](#), and [21.1% of all jobs](#). This was up from 12.3% of GDP and 20.4% of all jobs in February 2020, before the pandemic hit.

The recent federal election included vigorous debate about how to fund early learning and childcare but little about politicians' plans to ensure we have high quality care when we need it, or that every essential job is a good job. This edition of the Care Economy Data Room focuses on facts that will shape **the future of early learning and childcare**.

1. [Canada was dead last](#) among 14 peer nations' public spending on early learning and childcare in 2006, at 0.25% of GDP. (Denmark led the pack at 2%.) Today, OECD nations spend an [average 0.7% of GDP](#) on "formal" (regulated) childcare. Canadian governments spent \$14 billion in 2020, including for kindergarten; but just [\\$7 billion](#) went to regulated childcare (0.3% of [GDP](#)).
2. [Federal Budget 2021](#) announced an historic \$30 billion over the next 5 years to improve the quantity and quality of regulated childcare while reducing costs for parents to an average \$10 a day. To date, eight deals have been signed with seven provinces and a territory, home to [46% of children under the age of 6](#).
3. Deals in [B.C.](#), [Nova Scotia](#), [P.E.I.](#), [Newfoundland and Labrador](#), [Manitoba](#), [Saskatchewan](#), [Quebec](#) and [Yukon](#) account for \$12.5 billion of the [\\$27.2 billion \(or 46%\) Budget 2021 allocation](#) for the new 5-year bilateral arrangements, with additional funds available for workforce expenditures and extending the 2017 bilateral agreements.
4. Ontario, Alberta, New Brunswick, Northwest Territories and Nunavut remain outside the strategy. Together they account for over half of [Canada's 2.3 million children under the age of 6](#). Ontario alone accounts for 38%, Alberta 14%.
5. [Only about one quarter](#) of Canada's children aged 0-5 outside Quebec receive care in a regulated setting. [Three-quarter of pre-schoolers in Quebec](#) were cared for in a regulated setting.
6. The provinces and territories that signed new agreements with the federal government this summer are committed to expanding capacity by adding 125,000 new regulated spaces. This will drive the need for roughly 16,000 more early childhood education workers, based on a rule of thumb of one adult per eight pre-schoolers. (Infant and toddler care are both more labour intensive.)
7. In 2016, [96 per cent of early childhood educators and paid home childcare providers were women](#) (based on Census results; new data will be ready by 2022.) Half the workers in the sector were paid [less than \\$19.20 per hour](#). Top salaries for ECEs actually [fell from 2017 to 2020 in Alberta and Saskatchewan](#). Ontario and Quebec saw little change. The most significant increases were in Newfoundland and Labrador, PEI, and Yukon.
8. While many of the newly signed agreements mention the need to recruit and retain qualified workers, only four specify improving pay with a higher wage floor or wage grid ([Nova Scotia](#), [Manitoba](#), [Saskatchewan](#), [Yukon](#)).
9. In February 2021, enrolment in childcare centres was still [down by 21%](#) from pre-pandemic levels.
10. Twice as many women as men dropped out of the labour force by September 2021 ([113,000 fewer women and 52,000 fewer men](#)) compared to February 2020. Most were 55 years and older. It is unclear how many are helping their adult children maintain a living while childcare and schooling are unreliable during the pandemic.

*\* Measured as the combination of the health/social assistance and education industries. Latest GDP data are from July 2021. Latest Labour Force Survey data are from September 2021.*