

# Child Care

EMPLOYMENT FACTS FROM ACTEW



## **Most Mothers Are Employed**

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- Two-thirds of Canadian women with young children are employed. In 2006, 64% of women with children under three and 69% with children between three and five were engaged in paid work. In 1976, the employment rates for such mothers were 28% and 37% respectively. [1]

## **Yet Child Care Is Scarce**

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- With the exception of Quebec, there has been little expansion of Canada's childcare system [2] to meet the dramatically increased numbers of working mothers [1].
- One-quarter of Canadian children under the age of seven have access to a regulated childcare space [3] and in Ontario there are spaces for only 10% of the children under 12 [5]. In comparison, many European countries provide spaces to 60% or more of their child populations [2]. The shortage of care for school-age children [4], Aboriginal children [3], and children with special educational needs [3] is particularly severe.
- Contingent workers -- of which women are the majority [6] -- have unpredictable work schedules, irregular employment, and fluctuating income [6, 7]. Immigrant women and rural women are often employed in seasonal, irregular and shift work positions and there are few affordable childcare options that meet their scheduling needs [8, 9, 10, 11].

## **Child Care Benefits Children, Families and Society**

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- Research demonstrates that high-quality child care is as positive for children as effective parenting [12, 13, 14]. Child care is especially beneficial to children with special learning needs [14] and those from low-income homes [12, 13].
- Higher participation of women in paid employment increases a country's Gross Domestic Product (GDP); subsidized child care greatly increases the likelihood that women will work [15, 16].
- High-quality child care is associated with increased wage earnings for families, in the short-term, and increased wage earnings for participating children, in the long-term [17, 18].
- Subsidized child care enables sole-support parents to work rather than depend on social assistance for financial support at a much higher economic burden to society [17]. In 2003, over 40% of child care subsidy recipients in the City of Toronto were single-working-parent families [19].

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### Child Care Builds the Labour Force

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- Organizations providing employment and training services recognize the necessity of child care for women who utilize their services; 73% of Ontario employment agencies serving women predominantly offer child care program support [20].
- Among low-income women of colour in Toronto, the lack of child care is cited as the greatest barrier to securing employment [11].
- In a recent international study, subsidized child care is strongly associated with high return-to-work rates for mothers, which limits labour shortages in aging populations [16].

### Who Pays the Price of Child Care

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- On average, full-time child care in Canada currently costs parents \$6,000 to \$12,000 a year for an infant, and \$5,000 to \$8,000 a year for a toddler or preschooler [24]. Canadian parents pay 50% of total child care costs, while European parents pay an average of 25% [2]. In a comparison of 14 western countries, Canada spends the least on child care, contributing only 0.2% of the GDP to the child care system [2]. The Organization for Economic Co-Operation in Development (OECD), an international body representing 30 countries, encourages countries to invest 2.0% of their GDP and recommends that Canada "substantially increase public funding of services to young children." [3]
- Some single mothers cannot work because they cannot afford child care [25]. The average after-tax income for a single mother was \$30,000 in 2005 [26]. As of 2006, only 22% of single parents are able to access Canada's complex child care subsidy systems [3]. Forty-six percent (46%) of single mothers with children under three were employed in 2006, compared with 66% of mothers in two-parent families [1].
- The annual income for the Canadian workers paid to care for our youngest children is half that of the national income average [5]. Salaries for child care centre staff range from \$12,500 to \$29,000 per year, and providers outside centres have lower remuneration [5, 27]. Almost all (98%) child care centre workers in Canada are women [27]. Most child care providers in Canada's Live-In Caregiver Program are women of colour and, due to immigration regulations, are very vulnerable to unfair pay and abuse from their employers [28].

This fact sheet was created by **A Commitment to Training and Employment for Women (ACTEW)** in June, 2007. This is one of a series of fact sheets on employment that can be accessed and downloaded at: [www.actew.org/pwp](http://www.actew.org/pwp)

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