

CHILDCARE WORKFORCE IN CRISIS: OUR ECONOMY WON'T WORK WITHOUT ELCC WORKERS



workforce
COLLECTIVE



Chatham-Kent

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Over the past two years, conversations about Early Learning and Child Care (ELCC) have been at the forefront. **Quality childcare has been emphasized as essential for economic recovery** and development as well as familial wellbeing. More resources for ELCC would improve educational outcomes for children, reduce income inequality, and increase workforce participation – especially of working mothers[i]. Despite these benefits, Canada is behind its international peers and has an \$8 billion gap in childcare and early learning spending[ii].

The ELCC system has been characterized by uneven access, affordability, and quality and a generally low-waged female labour force[iii]. The pandemic exacerbated these challenges. Through the COVID-19 crisis, employment losses were seen more strongly for women than for men (she-cession)[i],[ii] and family care defaulted largely to women[iii]. These outcomes have significant consequences at the household and macroeconomic levels, including decreased tax revenues for governments, and increased poverty for women and children[iii].

Childcare system interventions increase GDP and get mothers back into the workforce. With Quebec's universal childcare system reform, approximately 69,700 more mothers were able to hold jobs than if the province had continued to follow the traditional approach. This addition of mothers to the labour market led to an increase of \$5.1 billion (or 1.7%) in Quebec's internal income (GDP).[iv]

For every dollar invested in childcare, the broader economy receives a return of \$1.60[vii]. When taking a longer view, considering the benefits to children over their educational journeys and into their careers, the anticipated **return increases to almost \$6.00**. Also, as barriers to low-income families, such as finding and accessing quality childcare, are removed their income goes up which generates more economic activity and tax revenue[viii].

Since 2014, publicly funded schools have provided childcare to 90% of Ontario's four- and five-year-olds through full day kindergarten (FDK). The jobs in this system can be classified as decent – with kindergarten teachers earning an average salary of closer to \$43.96 per hour[ix], being recognized as valued professionals, and working in quality work environments[x]. Ontario's implementation of **FDK, as a childcare system intervention, contributed to a boost of \$5.6 billion** to Canada's GDP in one year[xi].

The federal government recently promised to invest more than \$30 billion to extend an ELCC system across Canada[xii]; however, the current workforce cannot support this plan. **Early Childhood Educator (ECE) staffing shortages are a known issue**, with high turnover rates of existing employees[xiii] and not enough students graduating and entering into the field.[xiv]

In smaller communities like Chatham-Kent, ELCC worker shortages are deeply felt. 938 children are on the waitlist for licensed childcare[xv] – that's almost 1 in 5 children aged 0-5 in Chatham-Kent[xvi] and **hundreds of working parents who are experiencing a lack of childcare**. At the same time, 60% of Chatham-Kent's licensed childcare spaces are operational[xvii]. That means that both the demand and capacity exist to support at least 117 to 281 additional ECE jobs.

Staffing shortages are in part attributed to financial concerns which ranked high among challenges for childcare operators in Canada, with over 40% of providers reporting difficulties meeting wage and salary costs[xviii]. Table 1 shows the median annual and hourly wages for ECE jobs in Chatham-Kent and Ontario.

Table 1. Wages for early childhood educators and assistants, Chatham-Kent[xix] and Ontario[xx]

	Median annual wage (2023)	Median hourly wage (2023)
Chatham-Kent	\$49,878	\$23.98
Ontario	\$41,600	\$20.00

Note: Designated Early Childhood Educators in FDK in Chatham-Kent earn between \$21.87-\$28.58 per hour. [xxi]

Research on ECE program graduates shows not all graduates stay in the field[xiv] with one potential reason being the low rate of pay. In 2022, there were 28 graduates from St. Clair College’s ECE program, a graduation rate of 85%[xxii] and it is currently unknown how many of those recent grads are working as ECEs in Chatham-Kent .

Strategies to attract and retain ECE grads and ELCC workers should focus on wage increases, with a salary scale starting at \$25 per hour for all childcare workers and \$30 per hour for Registered/Designated ECEs[ii]. At the local level, expanding access to a variety of quality professional learning opportunities (e.g., workshops, conferences, professional communities) will also be critical to build the required ELCC workforce[x].

Supporting the creation of decent jobs within childcare will support Chatham- Kent’s economy (and beyond) now and into the future. It is becoming increasingly evident to stakeholders in the community’s economy that creating an effective ELCC system is important. Employers, for example, are seeking support (attraction and retention strategies) for prospective and current employees alike. 29.8% of employers that responded to Chatham-Kent's Employer One survey reported that access to childcare impacted their ability to attract and retain workers in 2022[xxiv].

“Childcare requires more government investment but crucially, it requires a comprehensive vision to build a system that shifts from a patchwork market approach to a publicly managed system.”[iii] Without concerted action on childcare, pandemic recovery will be slower, gender regressive and nationally uneven. A portion of the current stock of childcare risks permanent closure, with near-term consequences for women, children, families, and the economy[iii].

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