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Welcome to Business Breathers

The Role of Child Care in Post-Pandemic Recovery

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Regional Councilor | Region of Niagara

Taking businesses, careers and ideas to the next level

- Overview of Motion
- Economic Snapshot
- Gender Disparity
- Child Care as an Economic Tool
- Child care vs. Public Infrastructure Spending
- Questions?



Motion supporting Child Care

- Motion presented in August 2020 declaring child care essential to economic recovery
- Asked for a commitment from the Provincial Government to fund and make child care accessible
- Asked the Provincial Government to partner with the Federal Government in building a national strategy





The Economy: How bad is it?

Regional context

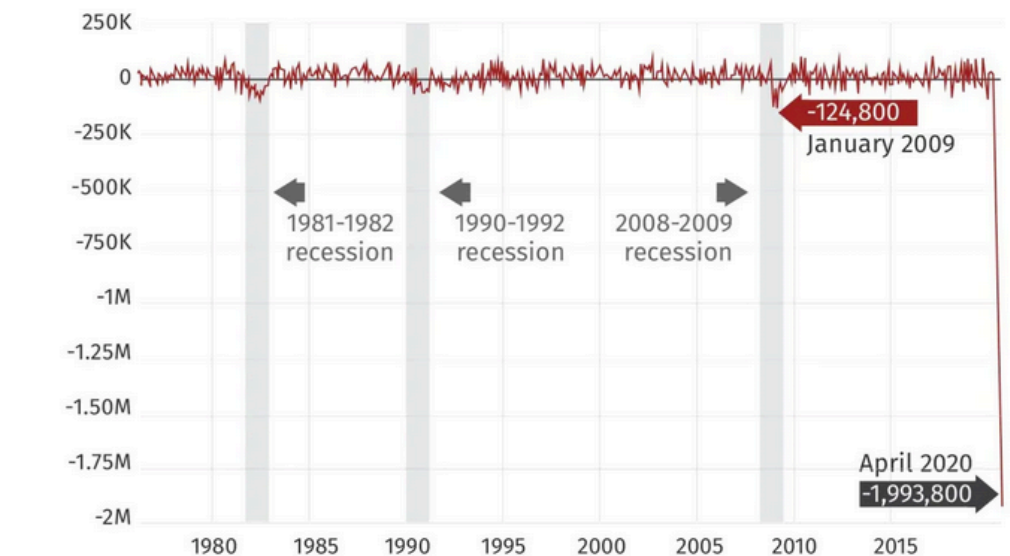
- Niagara survey of business sector found that 745 respondents reported a combined loss of \$425.1 million
- Arts/Entertainment/Recreation & Accommodation/Food Services industries hit the hardest
- Increased costs due to PPE needs, modified work hours, altered sales/products and lower staffing requirements
- 1/3rd of businesses in Niagara stated they were at risk of closure – some permanently

The Economy

National context

- Canadian economy contracted 38.7% in the second quarter
- Estimating \$250 billion dollar deficit this year

Monthly change in employment



CBC NEWS

Source: Statistics Canada



Gender Disparity and Economic Impact

Pandemic threatens decades of progress in women's labour force gains. For the first time since the mid-1980s, women's participation in the labour force dropped to 55%

<https://thoughtleadership.rbc.com/pandemic-threatens-decades-of-womens-labour-force-gains/>

In April, women's participation dipped to 55% for the first time since the mid-80s

Participation Rate: females, 15 years and over, seasonally adjusted, %



Source: Statistics Canada, RBC Economics



Gender Disparity & Economic Impact

- Women make up the majority of the workforce in sectors impacted by the lockdown
- Women have picked up the slack in the face of school and day care closures

The importance of Child Care

Women's
Employment



=

Household
Spending



=

Consumer
Spending



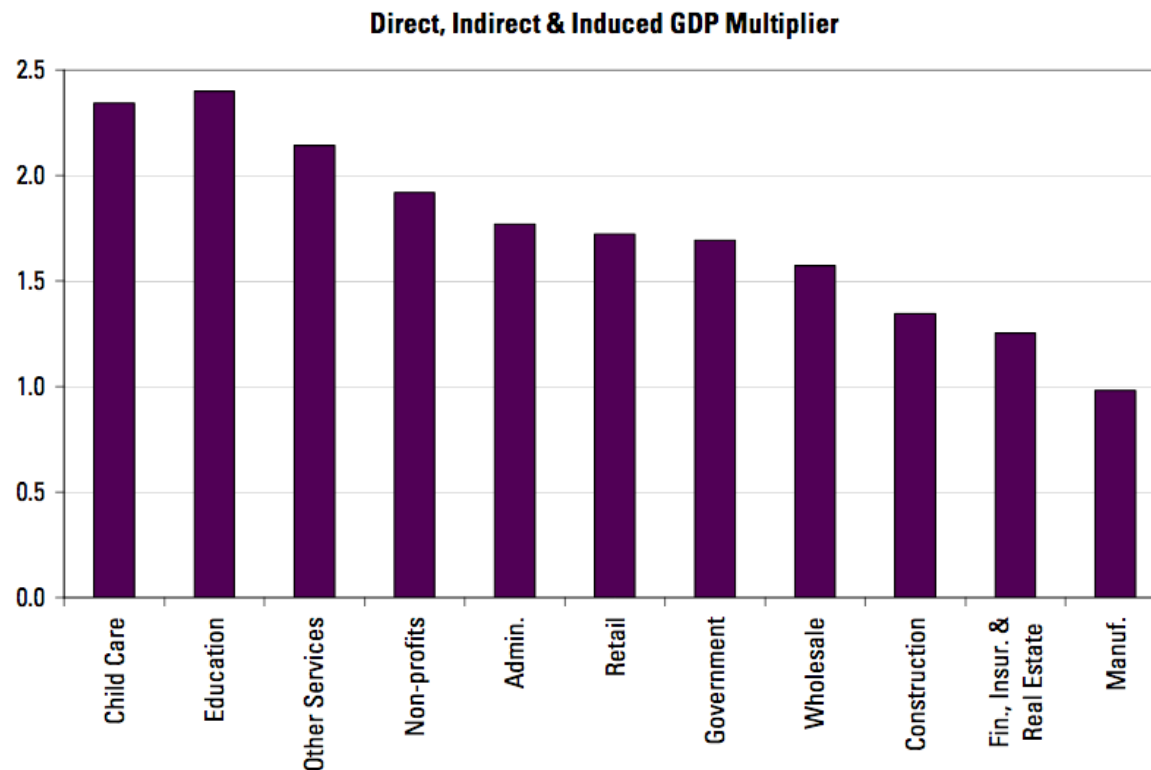


Child Care as an Economic Policy

- For every public dollar invested in licensed child care, there is a regional economic output of \$2.27
https://www.oise.utoronto.ca/atkinson/UserFiles/File/News/The_Economic_Value_of_Child_Care_January2012.pdf
- Child care output has been determined as one of the highest GDP multipliers and the highest employment multiplier of all major industries
<https://www150.statcan.gc.ca/n1/pub/11-010-x/00106/9000-eng.htm>

Child Care as a Economic Policy

FIGURE 3: Lower Wage Industries Provide Higher Short-Term Stimulus



“An expansion of the child care sector as it currently exists would result in a large short-term multiplier” to GDP.

http://www.ccsc-cssge.ca/sites/default/files/uploads/Projects-Pubs-Docs/2.8-WFS_LitSocioMain_Eng.pdf

Quebec



- Quebec model has shown that public spending can generate both fiscal and social windfalls:
 - Greater affordability
 - 85% participation of women in the workforce
 - maternal employment grew;
 - birth rates rose;
 - child- and family-poverty rates fell by more than half.

Early Childhood Education

- Publicly licensed model is focused on education as opposed to “child minding”
- Has shown benefits to academic achievement, educational progression and attainment
- Incorporates for labour force standardization (trained in ECE)
- Early identification of development or behavioral issues & subsequent programming/support

Policy Tools

Child Care



VS

**Infrastructure
Spending**



Traditional Tools

Fiscal Policy Toolbox

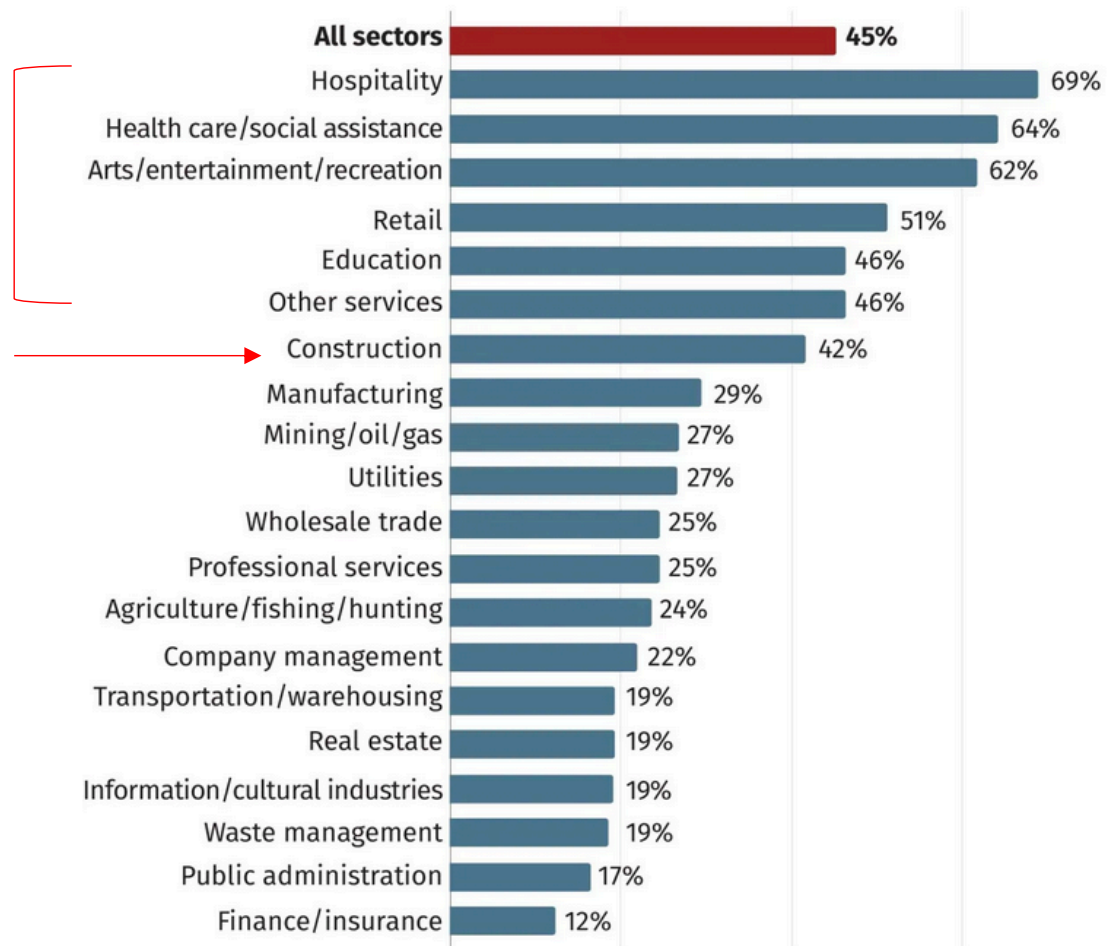


- Public infrastructure investment
 - Focus is on capital projects like roads, bridges, wastewater systems, highways and other public facilities.
 - Benefit to employment - primarily in the construction sector
 - Can improve private sector performance (better roads & transportation networks)

Addressing the Employment Gap

Industries with high instances of female employment impacted by the pandemic

Percentage of businesses that reported layoffs



Construction

Net positive result of
3,100 jobs

Men % - 88.3%
Women % 11.7%

**Table 3: Employment by Industry, St. Catharines-Niagara CMA, February and August 2020.
Annual Employment for Men and Women, Ontario, 2019.**

Industry	2020 Employment - St. Catharines-Niagara CMA			2019 Annual Employment - Ontario	
	February	August	Feb-Aug Change	Men %	Women %
Agriculture	5,400	4,200	-1,200	64.1%	35.9%
Forestry, fishing, mining, quarrying, oil and gas	NA	NA	NA	86.7%	13.3%
Utilities	1,700	NA	NA	78.4%	21.6%
Construction	14,400	17,500	3,100	88.3%	11.7%
Manufacturing	21,200	22,100	900	70.0%	30.0%
Wholesale and retail trade	32,300	25,300	-7,000	52.6%	47.4%
<i>Wholesale trade</i>	NA	NA	NA	66.8%	33.2%
<i>Retail trade</i>	NA	NA	NA	48.3%	51.7%
Transportation and warehousing	8,600	7,100	-1,500	76.2%	23.8%
Finance, insurance, real estate, rental and leasing	7,200	13,000	5,800	48.3%	51.7%
Professional, scientific and technical services	5,500	8,200	2,700	57.9%	42.1%
Business, building and other support services	8,400	9,000	600	53.6%	46.4%
Educational services	17,100	13,500	-3,600	30.7%	69.3%
Health care and social assistance	25,300	27,300	2,000	19.2%	80.8%
Information, culture and recreation	9,700	5,300	-4,400	51.8%	48.2%
Accommodation and food services	26,100	15,200	-10,900	45.6%	54.4%
Other services (except public administration)	10,300	10,800	500	42.4%	57.6%
Public administration	5,900	5,800	-100	50.6%	49.4%
Total employed, all industries	199,200	185,900	-13,300	52.3%	47.7%

Child Care as an Economic Solution

- A unique response to a different type of recession
- Good return on investment, supported by research and data
- Directly addresses the gendered employment impact
- Policy that better supports families
- Empowers household spending & consumer spending
- Better policy for child development (early learning model)





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**Emotional Intelligence Seminar
November 19-20, 2020**

Thank you for joining us.
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with Dr. S. Ejaz Ahmed

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