

Intelligence MEMOS



From: Tingting Zhang
To: Childcare Policymakers
Date: June 20, 2023
Re: **WHERE ARE THE EARLY CHILDHOOD EDUCATORS?**

The nationwide shortage of early childhood educators (ECEs) is the biggest obstacle to the rollout of Canada's new national childcare plan.

ECEs provide a critical service to support mothers who re-enter the labour force. Sufficient ECE numbers contribute to both the accessibility and quality of universal childcare. However, childcare centres across Canada are struggling to recruit and retain ECEs.

My recent C.D. Howe Institute [E-brief](#) with co-author Parisa Mahboubi, explains how accessing affordable childcare influences women's employment decisions. By 2022, all provinces and territories had reached an agreement with the federal government on the Canada-wide early learning and childcare system. [One year](#) later, they have significantly reduced fees, with nearly half offering licensed childcare for an average of \$10 a day or less. And as the resulting demand increases so does the demand for ECEs.

Statistics Canada found that 90 percent of childcare centres [reported](#) difficulties in filling vacant staff positions in 2022. About one in three were looking for qualified ECEs. And another recent [report](#) found 62 percent of childcare operators had to recruit staff in the last two years and 82 percent had difficulty hiring staff with the necessary qualifications.

Without sufficient staffing, many spaces remain unfilled. Some childcare centres run at [reduced capacity](#) or even close down entirely. The [YMCA of the GTA](#), the country's largest childcare provider, has only 16,000 kids enrolled in its 35,000 licensed spaces due to staff shortages. Similar stories abound across Canada. For example, 27 percent of BC centres [reported](#) turning families away due to a lack of staff.

Meanwhile, waiting lists have also increased. In 2022, 78 percent of centres [surveyed](#) had active waitlists, and shortages are particularly acute in rural and remote areas.

Ontario is estimated to be [short](#) of 8,500 registered ECEs to meet demand. Canada will need an additional [32,000](#) ECEs to serve a minimum of 59 percent of Canadian preschool-aged children within the next five years, according to one estimate.

Qualified ECEs have the most [direct impact](#) on programs. They provide high-quality care and create environments that benefit [early childhood development](#) and future academic success. Evidence has shown that staff with higher levels of ECE education and professional training have been [associated](#) with high-quality care.

There were [58,867](#) registered ECEs in Ontario in 2021, a 2.2-percent increase from 2020. However, only 56 percent of them work in licensed centres, and turnover is high. Registered ECEs in licensed childcare are [twice](#) as likely to resign after three years, compared with those working in other settings, according to the College of Early Childhood Educators.

The main contributing factor is low pay. A full-time ECE earned a median annual income ranging from [\\$30,800](#) in New Brunswick to \$50,800 in Northwest Territories in 2021. The median wage in 2022 was [\\$20.20](#) per hour while school-based educational assistants earned [\\$23](#). Many ECEs leave for other sectors such as school boards for higher pay.

Lack of benefits and difficult working conditions also contribute to ECE shortages. Many do not have health benefits, pensions, paid sick leave, or personal leave. The working conditions also do not support ECEs to care for children with special needs.

Instead of creating more spaces that may end up unfilled, provincial governments need to prioritize funding on ECE attraction and retention. They need to raise wages, encourage career pathways for ECEs, and fast-track foreign credential recognition. They also need to improve working conditions and offer comprehensive work benefits.

Some provinces and territories have used the new federal money to raise ECE wages through the development of salary grids, provide more training and professional development, offer free or reduced fees for post-secondary education in the field, or launch recruitment campaigns. However, these investments [vary](#) by province and territory. For instance, Saskatchewan offers Training Initiative grants of up to \$1,500 per month for ECEs while others only provide a few hundred dollars per year.

Moreover, only a few provinces take progressive actions in improving wages. Yukon [provides](#) a \$31.01 minimum wage for qualified ECEs. Newfoundland and Labrador has a starting rate of \$25 an hour. However, Ontario's wage floor was set at \$18 last year, and just 22 percent of its ECEs [earned](#) \$25 or more.

Successful implementation of the CWELCC system would strengthen labour force participation, particularly among women, and boost overall living standards.

It is impossible to build an accessible high-quality system without enough ECEs. The pandemic has taught us the importance of quality childcare and how valuable ECEs are. Let's not forget the lesson. More needs to be done to improve the system.

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