COVID-19 and Childcare in Canada: A Tale of Ten Provinces and Three Territories

Martha Friendly, Barry Forer, Rachel Vickerson, and Sophia S. Mohamed

Martha Friendly is the executive director and founder of the Childcare Resource and Research Unit. She is a policy researcher on early childhood education and care and has been engaged in Canadian and international ECEC and family policy research for many years with particular interest in structural and governance issues. Martha is currently co-investigator on a SSHRC Partnership grant exploring the alignment of childcare, parental leave, and work for families. She is an active participant in the cross-Canada childcare movement that has been advocating for a universal public system of high-quality childcare since the 1970s. Email: martha.friendly@gmail.com

Dr. Barry Forer is a research methodologist and statistician at the Human Early Learning Partnership (HELP) at UBC. Over the past 32 years, he has worked both as an independent consultant and a university research associate, specializing in early childhood development, learning, and childcare. His research projects have included studies of childcare quality, usage patterns, affordability, and stability; a number of childcare needs assessments of parents and operators; research on workforce-related issues in the childcare sector; studies on the effect of neighbourhood socioeconomic status on child development and how early developmental vulnerability influences later school achievement; and validation research on the psychometric properties of the Early Development Instrument. His PhD was completed in the Measurement, Evaluation, and Research Methodology program in the UBC Faculty of Education. Email: barry.forer@ubc.ca

Rachel Vickerson is a research officer with the Childcare Resource and Research Unit interested in the broader intersections of childcare and other areas of public policy. She has a master's degree in public policy from the Munk School of Global Affairs and Public Policy, University of Toronto.

Sophia S. Mohamed is a research officer with the Childcare Resource and Research Unit with special interest in the ECEC workforce and the care economy. She is a registered early childhood educator and has a master's degree in early childhood studies from Ryerson University. Sophia is also a part-time faculty member at George Brown College in the School of Early Childhood Education.

This paper examines the effects of the COVID-19 pandemic's first wave on Canadian childcare. Using results from 8,300 responses to a Canada-wide survey of centres and regulated family childcare, it illustrates how limited public funding and reliance on parent fees made childcare unsustainable when services closed. The lack of public funding created financial stress and uncertainty about the future among centres Canada wide, including in provinces offering more robust support. The paper concludes by considering how dynamics set in motion by the pandemic shaped political developments and may ultimately contribute to the transformation of Canadian childcare to a publicly funded systemic approach.

Key words: childcare; COVID-19; policy; survey; pan-Canadian

It was the worst of times, it was the best of times...

When COVID-19 began to spread globally, it didn't arouse public alarm in Canada until the World Health Organization classified it as a pandemic on March 11, 2020. In mid-March, provinces and territories, which bear the main government responsibility for both public education and childcare in Canada, began closing nonessential workplaces, public schools, and licensed childcare.¹ Many families whose children were usually in childcare or school shifted to working at home, caring for children or supervising schoolwork while juggling their paid work. Other parents who continued working at workplaces or who became unemployed lost their childcare. It became widely apparent that childcare was not a luxury but a fundamental necessity for children and parents and for a well-functioning economy. Although this is not a uniquely Canadian story, the childcare crisis created by the pandemic became a driver for historic childcare policy change in Canada.
The pandemic created chaos for childcare service providers, hardship for families, and anxiety for equality-seeking women. When the parent fees that are the main revenue stream for Canadian childcare became uncertain or disappeared as services closed, a sustainability crisis affected service providers across most of Canada. Because the federal government has had little role in childcare, the provincial/territorial governments responded by supporting emergency childcare for parents deemed to be essential workers, along with some financial supports and emergency health and safety protocols. Given Canada’s fragmented childcare situation, what was funded, what was required to close, who was eligible, and health and safety rules varied enormously across Canada. As the pandemic went on, policies were modified and remodeled as policymakers and service providers scrambled to respond to an unknown, shifting, anxiety-producing situation.

Canadian childcare was vulnerable to the effects of the pandemic

Research, policy analysis, and everyday lived experience illustrate that the root cause of Canadian childcare’s fragility is that it is neither publicly funded nor publicly managed (Ballantyne et al., 2021; Child Care Now, 2021). A key starting point for the pandemic-created childcare disarray was that Canadian childcare is a parent-fee-funded patchwork yet is delivering an essential societal service. Reliance on parent fees is one key element of Canada’s childcare market model, “in which the state has relatively little influence on or interest in how services for young children are set up, maintained and delivered rather than a public or publicly managed system based on the ideas of communal obligations and social citizenship” (Lloyd & Penn, 2012, p. 19).

The pandemic had immediate effects. When regulated childcare was shut down by provincial/territorial governments, some fee-reliant childcare services were forced to charge parent fees for services not used. Some lost tenancy or could not pay the mortgage or rent without government support to cover funding gaps. The childcare workforce was also profoundly affected by the pandemic. It is almost entirely female, often poorly paid and working in less-than-professional conditions. Pre-pandemic, centres’ reliance on parent fees created budgetary tensions between decent staff wages and affordable parent fees. Without fee revenue during the pandemic, many staff were laid off while others worked in circumstances in which they feared for their health and safety. An Ontario survey on COVID-related concerns of almost 4,000 centre staff showed high health and safety concerns including lack of paid sick days and need for increased health and safety protocols, smaller group sizes, and improved staff:child ratios (Powell & Ferns, 2020).

Some services closed permanently in the pandemic’s first wave in the spring of 2020, and others in the second wave (in the winter of 2020–2021), creating concerns about a depleted supply of childcare. It was feared that the reliable supply of quality childcare needed to recover a vigorous economy—as well as to ensure children have “the best start in life” and to support families and ensure women’s equality when the pandemic eventually ends—was in jeopardy (Bezanson et al., 2020).

How childcare fared: Pan-Canadian survey of regulated services

Purpose and method

To understand how childcare was faring when most services were shut down during the first wave of COVID-19, we carried out a Canada-wide online survey (available in both official languages) of regulated childcare provision. This section presents key survey results on licensed centres.

The survey’s purpose was “to collect information about the impact of the COVID-19 crisis on the childcare sector.” It was to be completed by the person most responsible for each childcare centre or regulated family childcare
home during the reference week April 27–May 1, 2020, before provinces/territories began reopening childcare services in the summer of 2020. The database included 8,300 responses (5,729 centres and 2,571 family childcare providers), taking into account that some respondents answered on behalf of multiple centres (e.g., YMCA) or family childcare homes under an agency aegis. The survey should not be assumed to be a representative sample of the larger pool of total childcare centres (17,542 in 2019), but there was substantial representation in all jurisdictions except Nunavut and the Northwest Territories and of English and French respondents, centres and family childcare, and for-profit and nonprofit centres. Nevertheless, participants self-selected to participate, and it is possible that service providers that were entirely closed may not have received the survey.

Results for centres and family childcare were analyzed separately. Due to space considerations, this paper only discusses data on centres. A brief summary of survey data for regulated family childcare is included in a section below.

**Results: Centres**

**Closed centres.** During the reference week, 72% of centres reported being closed except for essential workers’ children (emergency childcare). In almost all jurisdictions, closures were mandated by provincial/territorial governments. In British Columbia, where centres had the option to be open or closed, 44% elected to close.

**Open centres.** Of the 28% of responding centres that reported being open during the reference week, 74% were open only for emergency childcare. All provinces/territories except Nova Scotia provided emergency childcare, but implementation and funding varied considerably. In most of Canada, open centres were mostly reserved for emergency childcare. In Alberta, 94% of open centres were open exclusively for emergency childcare; 67% of Saskatchewan centres reported being open—more than any jurisdiction—but only 35% of these were exclusively for emergency care.

Reported policies on parent fees varied by jurisdiction. Of open centres not restricted to essential workers (N = 397), 82% charged all parents the same fees. This was the practice in Manitoba, Saskatchewan, and British Columbia. Ontario and Quebec centres were only open for emergency childcare; essential workers paid no fees. In Alberta, most centres charged essential workers full fees.

**Enrollment compared to pre-COVID enrollment.** Open centres reported drastic enrollment drops in all jurisdictions; nationally, median centre enrollment during the reference week was 5.5 children, representing an 89% drop from the pre-COVID median enrollment of 50 children. There was only a small difference in enrollment drop between jurisdictions where childcare was completely or mostly closed (90% drop) and the four jurisdictions (Quebec, Saskatchewan, British Columbia, Yukon) where many centres were open for regular use (88% drop).

**The childcare workforce.** Provinces’/territories’ COVID-19 funding policies had a clear impact on centres’ staffing decisions. Nova Scotia centres received regular funding and were compensated for lost parent fees with the agreement to retain staff; more than 90% reported no staff layoffs. In contrast, in Alberta, which did not compensate for lost parent fees, 56% of centres reported laying off all staff, including managers/directors, and an additional 28% laid off all staff except the manager/director. In Alberta, which offered little provincial assistance with lost parent fees, childcare providers were directed to access the federal government’s emergency funding benefits, which are discussed below (The Muttart Foundation & CCCF, 2020).

Unsurprisingly, open centres were more likely to have no staff layoffs (41% of open centres compared to 24% of closed centres). Among closed centres, 26% Canada wide laid off all staff except the director, and an additional 32% laid off all staff. Closed centres laying everyone off were most prevalent in Alberta (64%) and in the for-profit
sector (63%). Taking these two together, 83% of closed for-profit centres in Alberta laid off all staff, compared to 48% of closed Alberta nonprofit centres. In Ontario, 61% of for-profit centres laid off all staff, compared to 9% of nonprofit centres. One could speculate that, for for-profit centres, maintaining staff who needed to be paid was a lower priority than profits.

**Use of federal benefit programs.** Federal emergency benefits had just been introduced around the time of the survey, both benefits for which employees could apply and those for which the employer could apply. The survey asked respondents whether their laid-off staff had applied to the Canada Emergency Relief Benefit (CERB), employment insurance (EI) or the top-up for low-income workers. Overall, 93% of the respondents indicated their laid-off staff had applied for either CERB or EI.

At the time of the survey, two federal employer benefits had begun to be taken up by centres. Thirty-six percent of centres had applied to or received the Canada Emergency Wage Subsidy (CEWS), while 25% had applied for or received the Canada Emergency Business Account (CEBA). Closed centres were more likely to have applied for and/or received both CEWS (32% compared to 19% of open centres) and CEBA (28% compared to 17% of open centres). Forty-five percent of nonprofit centres had applied for or received CEWS, compared to 16% of for-profit centres while fewer had applied for or received CEBA (12% compared to 48% of for-profit centres). It's important to note how recently these employer benefits had been introduced at the time of this data collection; preliminary data from our follow-up survey of the same pool of centres a year later (described below) shows much higher take-up rates.

Overall, 19% of centres had applied for no federal employer benefits. This rate was highest in Yukon (68%), Newfoundland and Labrador (48%), and Nova Scotia (47%) and lowest in Ontario and Alberta (both 9%) and Manitoba (10%). When centres not applying for federal employer benefits were asked why, more than 90% of respondents from Prince Edward Island, Nova Scotia, and Newfoundland and Labrador said it was because their provincial government was providing adequate funding. In comparison, only 21% of Ontario respondents said it was because their province was providing adequate funding. These responses correspond with jurisdictions’ funding provision described in a section below; for example, Ontario provided limited provincial funding to closed centres, while Nova Scotia provided full funding, including compensation for lost parent fee revenue.

It should be noted that survey responses, particularly open-ended comments, highlighted community confusion surrounding availability, eligibility for, and which level of government was providing these funds.

**Financial situation and concerns.** Asked to rate their current financial situation compared to before the pandemic, 38% of all centres reported being in a “much worse financial situation.” This rating was highest in Alberta (63%) and Yukon (53%) and lowest in Newfoundland and Labrador (0%) and Prince Edward Island (8%). Twenty-five percent of centres reported their financial situation was about the same or better, highest in Newfoundland and Labrador (72%) and Prince Edward Island (65%) and lowest in Ontario (11%) and Alberta (12%). There were substantial differences between open and closed centres on this question, with 22% of open centres and 45% of closed centres reporting their financial situation during the pandemic to be “much worse.” Closed for-profit centres (61%) were more likely than nonprofits (37%) to report a much worse financial situation than before the pandemic, perhaps because for-profit centres differ from their nonprofit counterparts in having an additional financial consideration—earning a profit.

Almost all centres (98%) reporting a “worse” financial situation than before COVID-19 attributed this change to lost or reduced parent fees, demonstrating the reliance on parent fees.

More than half (56%) of open centres reported receiving all or more than their normal government funding,
compared to 30% of closed centres. Eighty-four percent of closed centres in Nova Scotia reported receiving all or more of their normal funding, compared to 23% of closed centres in Ontario.

Overall, 17% of closed centres reported receiving none of their pre-COVID government funding, compared to 4% of open centres, with a very wide range by jurisdiction, from 1% in Nova Scotia to 64% in Alberta. Closed for-profit centres were more likely than closed nonprofit centres not to be receiving any of their normal government funding (30% vs. 12%), which may account in part for their reporting their financial situation to be considerably worse than closed nonprofit centres.

**Anticipated problems post pandemic.** Respondents were asked about specific problems they anticipate upon resuming pre-COVID operations, both right away and six months later. Notably, regarding the short term after reopening, 93% of respondents selected multiple concerns; only 2% had no concerns. The top four concerns in both the short term and longer term were health/safety costs, lower enrollment, staffing difficulties, and reopening costs. A strong majority of respondents chose all four of these concerns, the percentages declining slightly for longer-term concerns. Responses were quite similar across all jurisdictions, with “COVID health/safety costs” and “lower enrollment” the most common responses in almost every province/territory except Quebec, where only 55% of respondents were concerned about lower enrollment. This relatively lower Quebec concern is consistent with data about centre enrollment drops following reopening from another Canada-wide childcare survey conducted from September to November 2020 (Macdonald & Friendly, 2021). Quebec’s publicly funded low-fee centres reported only negligible reduced enrollment—the only centres not reporting the dramatic, persistent low enrollment seen everywhere else in Canada (Macdonald & Friendly, 2021).

As asked about intentions to reopen, while a majority of closed centres said they would definitely reopen (64%), 36% expressed various degrees of uncertainty. The proportion of centres that chose “definitely reopen” was highest in Prince Edward Island (81% of centres), followed by Saskatchewan (73%) and Nova Scotia (72%).

**Family childcare.** Regulated family childcare, which was surveyed but is not described in detail in this paper, showed similar but somewhat milder trends than centre-based childcare. About 61% of family childcare homes were open, of which 24% only accepted children of essential workers. Their median enrollment had dropped by about 50% from pre-COVID levels. More than 60% reported their financial situation to be worse or much worse than it was pre-pandemic. Like centres, family childcare providers were mostly concerned about lower enrollment and health/safety costs in the post-COVID future. Not surprisingly, few reported accessing federal benefit programs, for which many family childcare providers would be ineligible.

**Provincial/territorial policy responses to the pandemic**

This section describes the childcare policy landscape at the time the survey was conducted. In response to the pandemic, childcare officials in each jurisdiction developed a variety of detailed policy responses on funding, eligibility rules, limitations on childcare use, and health and safety. The following section provides a table and a summary of provincial/territorial policies on five key policy questions that impact childcare services.
Table 1: Provincial/Territorial Policy Responses to the Pandemic

Reference week: April 26–May 1, 2020

<table>
<thead>
<tr>
<th>P/T</th>
<th>Were childcare centres closed for regular use?</th>
<th>Was emergency childcare provided for essential workers?</th>
<th>Were families required to pay for emergency childcare?</th>
<th>Were services permitted to charge fees if they were closed?</th>
<th>Was there financial support from the P/T to cover lost parent fees?</th>
</tr>
</thead>
<tbody>
<tr>
<td>NL</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>PEI</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>NS</td>
<td>Yes</td>
<td>No</td>
<td>N/A</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>NB</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes(^1)</td>
<td>Yes(^2)</td>
</tr>
<tr>
<td>QC</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>ON</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>MB</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>SK</td>
<td>No(^3)</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>AB</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>BC</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No(^4)</td>
<td>No(^5)</td>
</tr>
<tr>
<td>YT</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>NT</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td>N/A</td>
<td>No</td>
</tr>
<tr>
<td>NU</td>
<td>Yes</td>
<td>No</td>
<td>N/A</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Were childcare centres closed for regular use?

By March 23, 2020, provincial/territorial governments in nine of Canada's 13 subnational jurisdictions had closed childcare centres to regular use. In Saskatchewan, only centres in publicly funded school spaces were required to close. In British Columbia, Yukon, and the Northwest Territories, centres could choose whether to close. By June 30, all provinces/territories had reopened childcare services except in several areas in Quebec and in Manitoba, where centres reopened in August 2020.

Was emergency childcare provided for essential workers?

Emergency childcare was provided in all jurisdictions except Nova Scotia and Nunavut, where all childcare was closed. Prince Edward Island did not provide emergency childcare in centres for children under 2, but in-home care was offered.

Were families required to pay for emergency childcare?

1. If staff were not laid off.
2. The province covered fees for families who could not pay due to lost income.
3. Centres in schools were closed.
4. If receiving Temporary Emergency Funding.
5. Temporary Emergency Funding was available and covered some portion of lost parent fees.
Emergency childcare was free in Newfoundland and Labrador, Prince Edward Island, Quebec, Ontario, and Yukon. In New Brunswick, “essential worker” families not paying full childcare fees for other childcare paid fees for emergency childcare. Saskatchewan families paid 50% of fees, while families in Alberta and British Columbia were responsible for full fees.

Were services closed to regular use permitted to charge fees for services not used?

Most jurisdictions eventually did not permit centres to charge parent fees for closed services to “hold their place.” In New Brunswick, these fees were permitted if staff were not laid off, while the government covered fees for families who could not pay due to lost income. British Columbia did not permit closed centres receiving Temporary Emergency Funding (TEF) to charge fees.

Was regular and/or additional funding available for open or closed centres?

Most centres across Canada that remained open either for essential workers or for all parents continued receiving their regular funding. In British Columbia, regular funding was replaced by the TEF, which paid different rates for open and closed services. Under this plan, open services received seven times the average monthly funding, which was assumed to cover 75% of average operating expenses.

Closed centres in Nova Scotia (if there were no staff layoffs), Prince Edward Island, Quebec, Saskatchewan, Yukon, Nunavut, and Northwest Territories continued to receive regular funding, while in Manitoba, closed centres were funded for three months. All British Columbia closed regulated childcare services with 2020/21 funding agreements were eligible for the lower-level TEF payments, which covered approximately 20% of average operating expenses.

Six provinces/territories covered lost parent fees in all or some instances. Newfoundland and Labrador (those willing to offer emergency childcare), Prince Edward Island, Nova Scotia, Quebec, and Nunavut covered lost parent fee revenue. New Brunswick covered parent fees for parents receiving fee subsidies. A variety of other funds for open centres were available in most jurisdictions, including one-time payments for enhanced PPE / cleaning, staff wage increases, or full coverage of 24-hour care.

Some provincial governments (e.g., Ontario and Alberta) encouraged service providers to apply for federal emergency benefits. Pandemic funding in all provinces/territories came to an end when childcare services reopened in the summer of 2020.

Discussion

This paper began with an overview of regulated Canadian childcare pre-pandemic, followed by survey data about its state during the first phase of the pandemic and then a description of provincial/territorial policies on five key issues. The survey data illustrates that childcare services (outside Quebec’s publicly funded sector), which depend heavily on parent fees to support their normal operations, became unsustainable after the pandemic was declared. Without parent fee revenue when centres closed, a plethora of difficulties were experienced by both centres and their staff. Because each jurisdiction operates as an independent entity in its childcare decisions, each province/territory was unique in its pattern of policy decisions on five dimensions: (1) mandating closures for nonessential use; (2) providing care for essential workers; (3) charging fees for emergency care; (4) charging fees to parents for closed services; and (5) funding centres (both regular and supplemental funding).

The survey found that when almost all regulated childcare was closed to regular use by government authorities to prevent contagion, there were many reported differences in how childcare services reacted and fared, but overall,
childcare in all jurisdictions reported sustainability problems. These problems are linked both to pre-pandemic reliance on parent fees and to the unique provincial/territorial policies defining childcare’s operation during the pandemic, played out in terms of the number of open/closed centres, enrollments, staff layoffs, take-up of federal emergency benefits, financial health of services, and concerns and plans about the future. Of course, the results are only a snapshot during a very fluid time of changing policies and practices. Conclusions drawn about the causes of differences in survey responses between jurisdictions and status of the centres at the time of the survey are based on the survey results, as well as the variety of and shifts to provincial/territorial responses to the pandemic situation.

The data shows that childcare services were severely affected by the pandemic closings across Canada. At a Canada-wide level, results can be summed up as follows. During the reference week of April 27–May 1, 2020, only 28% of all centres in Canada were open; of these, 74% only accepted children of essential workers. As a result, the median enrollment at open centres dropped by about 90% from pre-COVID levels. Similar to schools and other congregate settings, it is understandable that childcare was either closed or open with significantly decreased enrollment in the early days of the COVID-19 pandemic amid so many unknown factors. The limited public responsibility for childcare and the reliance on parent fees meant that, for the most part, providers of regulated childcare were financially unstable and unsure if they would weather the pandemic, while a majority of centres laid off staff.

At the same time, the level of public support from provincial/territorial governments ranged widely. For example, Alberta provided quite limited support, while Prince Edward Island provided centres with their usual funding as well as covering lost parent fee revenue. Overall, 38% of centres reported their financial situation to be much worse than before COVID, but this percentage ranged from 8% to 68% by jurisdiction, related to the level of support provided by the jurisdiction.

In terms of anticipated problems once the pandemic is over, 88% were concerned about health/safety costs, 85% anticipated lower enrollment, and 65% anticipated staffing difficulties. Thirty-six percent of closed centres said they had at least some uncertainty about whether they would reopen.

The childcare workforce was severely affected by the situation. Fifty-eight percent of closed centres had either laid off all staff or all but the director. Even among open centres, only 24% had no staff layoffs. The large number of childcare staff laid off from their jobs as a result of the pandemic has the potential to create difficulties for growing an accessible childcare system, so must be addressed going forward.

This data, contextualized by Canada’s pre-pandemic inadequate childcare policy and provision and the varied policy responses during the pandemic, suggests several conclusions that are useful for understanding how to best respond to the important shift that has occurred in public and political aspirations for childcare.

First, the survey showed most childcare services were functioning poorly during the first wave of the pandemic in all regions of Canada. That most services were closed in the first wave was to be expected, because the unknown virus caught public health officials, childcare policymakers, service providers, and parents by surprise everywhere. But the loss of parent-fee-driven revenue was a key factor that determined how childcare services were able to respond to the pandemic. Canada wide, they generally faced financial uncertainty and insecure futures, highlighting that they are not publicly supported to be sustainable, stable services. In countries in which childcare is more robustly publicly funded, providers did not face bankruptcy or mass layoffs upon closure because they did not need to rely heavily on parent fees (Blum & Dobrotić, 2021). In market systems, when parent fees ceased, services collapsed—not unlike other private sector industries, such as restaurants—during COVID. Looking forward, these effects of the pandemic make a clear argument that childcare must be adequately publicly funded to ensure its sustainability.
if it is to be recovered and built as an essential service.

Second, while childcare services were fragile Canada wide, the survey results and the diversity of provincial/territorial policy responses show that the level of financial support for childcare services varied significantly. The policy choices made by provinces/territories in key areas such as funding, eligibility, and requirements clearly made a considerable difference in how childcare fared. For example, Alberta had the highest level of centre respondents identifying a “much worse” financial situation; as an Alberta-specific report using this dataset speculated, this might have been because the province paid only a set payment for unfilled emergency spaces and a one-time payment of $500 for health and safety costs (The Muttart Foundation & CCCF, 2020). By comparison, in Prince Edward Island, which compensated for parent fee revenue and provided operational funding for most centres, only 9% of centres described themselves in a much worse financial situation. As well, attaching conditions to funding appeared to be a powerful behavioural incentive, as seen in Nova Scotia’s funding requirement that staff not be laid off during closures or British Columbia’s requirement, tied to funding, that essential workers not be charged fees. Thus, attaching conditions and restrictions to funding has demonstrably been a very useful policy tool in gaining desired results during the pandemic.

Third, although the pandemic has had a substantial impact on Canadian childcare, and childcare has been a much-discussed public and political topic, there has been little data collection or research on this. Beauregard et al. (2020) observed that “the only reliable source of information on the supply of childcare spaces is a one-time survey taken the last week of April” (i.e., the survey described here). No in-depth and little focused data was collected about early learning and childcare and COVID-19 by Statistics Canada, and no research or data collection was motivated or funded by the federal government, whether by the Public Health Agency of Canada or Employment or Social Development Canada.

As the COVID-19 pandemic continued in successive waves through 2021, we conducted a follow-up survey of the 66% of respondents who agreed on the 2020 questionnaire to be recontacted. This follow-up survey took place in the field one year later, during the week of April 26–30, 2021. The results, when complete, will provide insights into the effects of the pandemic on the same childcare services at two different points in time. These findings will allow directly linked comparisons between the first wave, when most services were closed by provinces/territories, and the third wave, when most childcare remained open to regular use. The 2021 survey used more open-ended questions about funding programs accessed and financial information than the first survey to gain a better understanding of how providers understood and accessed federal and other funding.

Conclusion

In the late spring of 2020, when Canada was emerging from the first wave of the pandemic, childcare began to be recognized by a broad spectrum of people as a missing piece of social policy that is fundamental for meeting multiple agendas. New allies, such as the Governor of the Bank of Canada, argued that it is “a policy win aimed at spurring recovery and growth” (Poloz, 2020, as quoted in Langrish, 2021). Bezanson, Bevan, and Lysack (2020) wrote: “Childcare is key to Canada’s capacity to reopen and rebuild from the COVID-19 crisis” (para. 1).

As mothers of young children have joined the workforce over the last three decades, the economy has come to depend on childcare to allow them to work. Analyzing how a universal childcare system could contribute to Canada’s economy, Stanford (2020) calculated childcare’s financial benefits, primarily using the dual benefits of creating good childcare jobs and supporting mothers’ employment to determine that childcare generates “$17 billion to $29 billion per year—more than enough to pay for the cost of universal ELCC services” (p. 6).
The most salient of the characteristics of Canada’s childcare provision for this analysis is that services in most of Canada have largely been supported by parent fees, a characteristic that has been key in perpetuating the fragile service patchwork that has been so severely impacted by the pandemic (Friendly, Ballantyne, & Anderson, 2020). Canada’s limited, uneven service availability, low staff wages and high parent fees—defining features of childcare pre-pandemic—are a direct result of low public funding and concomitant reliance on parent fees. As the pandemic demonstrated writ large, in most of Canada, whether a service can operate sustainably depends largely on whether a critical mass of parents who can pay the fees is available.

Evidence about struggles that parents, especially women, have experienced across Canada, across income levels and in all kinds of jobs has had a profound impact on public, expert and political opinion. Publicly funded, high-quality childcare for all has long been considered to be “a necessity, not a luxury” in Canada by feminists, social justice advocates, educators and many others. But it took a pandemic for two powerful realities to gain wider recognition by previously unconvinced supporters who spoke out for the first time about the necessity of reliable childcare in a prosperous, post-pandemic economy (Saba, 2020). First, the pandemic threw the necessity of childcare for economic recovery from the crisis into sharp relief. Second, it simultaneously revealed the precariousness of Canada’s fee-based childcare provision.

The government of Canada’s policy response, outlined in the April 2021 federal budget, includes historically significant funding and policy to follow up on previous commitments to develop a childcare system to “build a high-quality, affordable and accessible early learning and child care system across Canada” (Government of Canada, 2021). As plans have begun to be put in place across Canada in agreements between the federal government and each province and territory (Childcare Resource and Research Unit, 2021), lessons from the pandemic are being concretized in the form of substantial public funding to reduce reliance on parent fees, recognition that the childcare workforce is key to childcare provision and emphasis that reliable childcare requires a system, not a market.

While the pandemic has interrupted families’ lives and strained public finances on a massive scale, it has also paved the way for rethinking and rebuilding the status quo. What is needed to transform childcare is not new. What is new is the political opportunity to build an equitable, publicly funded childcare program for all children across Canada. Post-pandemic, lessons learned about how quickly our current childcare arrangements can fail, and why, can lead the way to childcare’s transformation in a just and effective recovery for Canada.

---

1 Many working parents in Canada use unregulated childcare arrangements. This paper does not address how unregulated childcare fared during the pandemic, in part because there is no information on who provides it or how to contact them.

2 All provinces/territories offer regulated family childcare, which is either individually licensed/monitored or under the aegis of a licensed/approved agency.

3 Quebec did not close centres but restricted them all to providing care for essential workers. Eventually, the “non reduced contribution” for-profit sector centres were closed.

4 The survey was completed by the director, so this response is by their report.

5 The information in this section, which is derived from publicly available sources, was collected and updated weekly in an online resource on the Childcare Resource and Research Unit’s website during the first phase of the pandemic.

6 The Beauregard et al. article references the preliminary report on the survey reported here.

7 Apart from Quebec, which operationally funds the main elements of its childcare services.
References


