



NEWS RELEASE

Federal day-care program has resulted in little-to-no change in the female labour force participation rate or industry employment

February 06, 2024
For Immediate Release

TORONTO— Despite the federal government’s commitment to raising the labour force participation rate of women through the creation of a federal subsidized daycare program in collaboration with the provinces, neither it nor employment in the industry has increased, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“To date, the federal government initiative to expand subsidized daycare and raise the labour force participation rate of women has produced few results, nor has the roll-out of daycare expanded employment in the industry,” said Philip Cross, senior fellow at the Fraser Institute and author of *Is the Federal Daycare Program Achieving Its Stated Goals?*

The roll-out of daycare, an area under provincial jurisdiction, has failed to meaningfully increase female labour force participation, as the total labour force participation rate for women was virtually unchanged in September 2023 at 61.5 per cent, compared to a high of 61.7 per cent early in 2015 (prior to the establishment of this program).

Critically, the most notable increase in labour force participation for women is in Quebec and for women with older children—two groups unaffected by the federal daycare program.

Likewise, in June 2023, there were 175,913 people employed in childcare in Canada. This figure is almost exactly what the projected employment of 181,100 people would have been if the average annual growth of 5.9 per cent a year from 2004 and 2020 had continued through 2023 (which was disrupted by the COVID-19 pandemic).

“While I’m sure well-intentioned, what is unfortunately clear from these numbers is that the federal program has failed to achieve either of its stated goals and all while costing taxpayers billions of dollars,” Cross said.

MEDIA CONTACT:

Philip Cross, Senior Fellow
Fraser Institute

To arrange media interviews or for more information, please contact:
Drue MacPherson, Media Relations, Fraser Institute
604-688-0221 ext. 721
drue.macpherson@fraserinstitute.org

[Follow the Fraser Institute on Twitter](#) | [Like us on Facebook](#)

The Fraser Institute is an independent Canadian public policy research and educational organization with offices in Vancouver, Calgary, Toronto, and Montreal and ties to a global network of think-tanks in 87 countries. Its mission is to improve the quality of life for Canadians, their families and future generations by studying, measuring and broadly communicating the effects of government policies, entrepreneurship and choice on their well-being. To protect the Institute's independence, it does not accept grants from governments or contracts for research. Visit www.fraserinstitute.org