

# Women's Labour Force Participation and Day Care Cutbacks in Ontario

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As increasing numbers of women enter the Canadian labour force, the question of day care for children is becoming ever more urgent. This is the case, of course, because some of the largest increases in labour force participation are for married women and women aged 25-44 years—the chief childbearing and childrearing years. In Ontario, for instance, in 1951, 38% of working women were married but this figure had risen to 62% by 1978 and in that same year 63% of women aged between 25 and 44 years were working (Ontario Ministry of Labour, 1979 and 1980). Although it is very apparent that married women have moved into the labour force in unprecedented numbers since the Second World War, the question of how children are to be cared for when their parents are in the labour force is not a new issue.<sup>1</sup> In particular, the question of sufficient and affordable places in quality child care programmes continues to be a major concern. But, what is new to this continuing concern is the magnitude of the problem in the 1980's and a more critical awareness of the politics of day care.

Historically, women have entered the labour force in large numbers during periods of economic expansion, to fill the needs of capital for cheap and abundant labour power.

As Pat Connelly explains in her 1978 study of Canadian women as a reserve labour force (p. 18.):

In a period of expansion, when new markets or industries are opening up, the demand for labour power increases. But labour cannot be drawn from one area of production to expand another area; rather there must be a portion of the population available to be absorbed into industry in an expansionary period. The reserve army provides the needed labour.

It was during the Second World War that large numbers of married women were first mobilized into the labour force at a time when there was an acute labour shortage. This period of war mobilization also marked the first governmental wide-scale involvement in day care services. As J.E. Trey argues in her study of World War II (1977, p. 47), "providing or not providing child care is one of the most clever (and most effective!) ways a society can manipulate its female labor reserve".

In the early part of this century, day care centres were established locally—and run largely by social agencies such as church

groups, volunteer women's organizations and charitable organizations. These early day care centres "sprang up as a response to changing social conditions, the pressures of industrialization and women's need to work outside the home (Schulz, 1978, p. 137). Although many women worked outside the home in the large urban areas (particularly immigrant women, single women and widows), "low wages and limited job opportunities ensured their continued attachment to the home" (Armstrong & Armstrong, 1978, p. 60). Married women were considered the responsibility of their husbands, and children the responsibility of the individual family. Thus, the provision of public day care was viewed as an emergency social welfare measure to be provided only when the nuclear family broke down.<sup>2</sup>

In the period before the First World War, a number of day care centres had operated as employment agencies, efficiently solving the "servant problem" of the upper class women who ran these centres (see Schulz, 1977). The provision of day care enabled poverty-stricken women to work at low paid jobs, as domestic servants to the rich or as cheap labourers for industry, for example, in the Montreal textile industry (Lavigne & Stoddart, 1977). Little effort was made to provide quality day care in most centres; custodial care was provided by untrained, overworked and low paid women.

Between the two world wars, there was little public funding for day care: it was provided by social agencies and administered by social workers as a welfare service. The predominant



view was that “parents should be treated in a degrading, punitive way” and care was provided only “when a mother had proven that she was totally destitute” (Schulz, 1978, p. 149). Generally, day care users faced restrictions, waiting lists, high costs and poor quality of care. According to Schulz (p. 157), public day care “never outgrew its reputation as a low status, inferior substitute for home care;” it was viewed as a temporary, emergency service.

During World War II, federal funding for day care was established as a “war emergency measure designed to secure the labour of women with young children for ‘war industry’ ” (quoted in Pierson, 1977, p. 139); this funding was expected to terminate at the end of the war. World War II is considered the classic example of the mobilization of the female reserve labour force. In her excellent study of this period, Pierson (1977, p. 125) explains how the government looked to female labour power as “a reserve labour force to be dipped into more and more deeply as the labour pool dried up.” With a shortage of labour power because the men were in the armed forces and with the rapid expansion of war industry, the government encouraged first single women, then married women, and finally married women with children to “sacrifice for the nation at war” (Pierson, 1977, p. 134).

However, the employment of mothers (and the necessary provision of day care services) was officially viewed as temporary—directly linked to Canada’s war effort. As Pierson states (1977, p. 125):

“the recruitment of women was part of a large-scale intervention by Government into the labour market to control allocation of labour for effective prosecution of war.”

As a result of this policy, federal funding for day care was restricted: 75% of day care places were for children whose mothers were employed in high priority “war industrial occupations” (Pierson, 1977, p. 139).

The Dominion-Provincial Agreement, July, 1942, provided for federal-provincial cost sharing; as at present, the initiative for establishing day care centres rested with the provinces. Ontario and Quebec, the two most industrialized provinces, took advantage of the funding. Despite a slow start, by September 1945 there were 28 day nurseries in Ontario (19 of them in Toronto) which cared for about 900 children (Pierson, 1977, p. 138).<sup>3</sup>

Although the government emphasized the needs of the war effort, surveys conducted at the time would lead one to conclude that many women, perhaps the majority, entered the labour force during the war not because of patriotism but because of economic need. Not surprisingly, therefore, many of these women expected to stay in the labour force even when the war was over (See Pierson, 1977, p. 135 and Schulz, 1978, p. 152). However, the withdrawal of federal funding for day care at the war’s end effectively channeled women back into the reserve labour force. As explained by Trey (1977, p. 47), “if the government and industry had wholeheartedly solved the child care problem then they would have to have been prepared to give women continuing employment.”<sup>4</sup> Clearly the Canadian government sought to return to the pre-war status quo of women’s labour force participation: married women working full time in the home for no pay and single women employed in traditionally female occupations. Married women were both encouraged and forced to return to the home: encouraged by benefits like the Family Allowance and forced by the cutbacks in day care funding.<sup>5</sup> Thus the government averted

the threat of mass (male) unemployment, which would have resulted from the demobilization of thousands of men combined with the shutdown of the war industries.

The widespread withdrawal of women from the labour force exemplifies how the reserve labour force functions under capitalism (Marx, 1977). When production is curtailed, the reserve labour force is the first to go since such workers are considered marginal to the labour force without the right to a job.

“Women function as a massive reserve army of labour. When labour is scarce (early industrialization, the two world wars, etc.) then women form an important part of the labour force. When there is less demand for labour . . . women become a surplus labour force—but one for which their husbands and not society are economically responsible.” (Benston, 1977, p. 222).

As a result of government policies, including a massive propaganda campaign aimed at returning women to the home, women’s employment in Canada declined drastically following the war. The proportion of women in the labour force had risen steadily during the wartime mobilization from 24.7% in 1941 to 33.5% in 1944. However, their participation rate had dropped back to 25.3% by 1946 (Labour Force Survey estimates, quoted by Armstrong & Armstrong, 1975, p. 371). Women’s labour force participation continued to decline, reaching a postwar low of 23.6% in 1954 and did not reach its World War II (1945) level again until 1966, more than twenty years later.

In the postwar years, the progress made in day care during World War II was all but eradicated. In Ontario, for instance, the Day Nurseries Act of 1946 was passed in response to public pressure for day care, following the

withdrawal of federal funds; however “the net effect of the legislation was to close down a number of centres” (Schulz, 1978, p. 153). Through this legislation the provincial government of Ontario gained control over the expansion of day care (through the licensing standards it set forth) and required the municipalities to match provincial funds (which municipalities were often unwilling or unable to do). In Toronto, a means test was introduced as a prerequisite for those parents requiring subsidy; only the most “needy” were eligible and many parents were forced to withdraw their children as a result of rising fees. All these factors had the effect of reducing the availability of day care.

In the decade and a half following World War II, the number of public day care centres continued to decline. It was not until the 1960’s, when the expanding industries required abundant female labour power, that the federal government once again provided funds for child care services, with the Canada Assistance Plan of 1966. According to the Social Planning Council (Feb. 1980, p. 37), in Metro Toronto “the greatest increase in the rate of participation of women was in the 1960’s . . . when employment was growing rapidly.” The dramatic expansion in day care funding by the federal and provincial governments, from 1966 to 1975, coincided with a marked period of growth in the demands of capital for female labour power.

By the end of the 1960’s, day care had once again reached the World War II level. Ontario had responded to the 1966 Canada Assistance Plan (a federal-provincial cost-sharing agreement) with a new Day Nurseries Act (1966), containing both minimum standards and funding provisions.<sup>6</sup> Two provincial programs significantly increased the number of day care centres. A \$10 million project to construct day care centres was initiated in October 1971 “to

stimulate the economy during the winter and spring"; 62 centres were completed and the 1974 "Day Care Expansion Project" was launched with \$15 million; 110 centres were built with the funds. In addition, the federally funded Local Initiatives Programme sponsored 215 children's projects in the winter of 1972-73, the majority of them day care centres (see Pyl, 1980, p. 9).

The expansion of day care services beyond the World War II level (from 1966 to 1975) was, however, of a limited nature and coincided with growing demands for female labour power. The capitalists benefitted from the growing participation of women in the labour force and, as during World War II, the increased availability of day care encouraged married women to enter the labour force. But even while this expansion was taking place, there were a number of attempts by the government to minimize the level of public responsibility and funding through encouraging the growth of both corporate day care and family day care. In June 1974, the Ontario government proposed changes in the licensing criteria established under the Day Nurseries Act. This regressive piece of legislation would have drastically lowered the minimum standards for day care, including reductions in the staff-child ratios and reduced staff qualifications; it was part of the provincial government's policy of "de-institutionalization" and "re-privatization" of social services. This legislation was defeated after a year of public protest (Redican, 1978, p. 166).

### **Day Care Cutbacks: Effects on Women's Work**

Although the Government of Ontario had maintained an ambiguous position by both encouraging an increase in day care facilities and attempting to reduce its role in the provision of services in the 1960's and early '70's, by 1975

it was very apparent that the level of government funding for day care services was once again being cut back. As John Pyl (1980, p. 10) outlines:

In December 1975 the expansion of day care suddenly came to a halt. The provincial government announced that all social services, including day care, would be subject to a maximum increase of 5.5% over the next fiscal year. With inflation running at over 10% a year, this in fact constituted a cutback in funding. The province also announced it would discontinue to approve the expenditure of capital funds to start new centres.

The Social Planning Council (Sept. 80, p. 65, Table 10) has documented the recent decline in Ontario expenditures on social development which includes day care funding. From the 1975/76 fiscal year to 1980/81 (projected), expenditures declined by 1.5%. The Council (Sept. 80, p. 64) has calculated that "each decline of 0.1% in the proportion of Ontario's wealth directed to social programs results in a loss of \$100 million each year." While slightly more than 10% of Ontario's wealth was spent on social programs between 1970/71 and 1978/79, this declined to 9.7% in 1979/80 and was projected by the Social Planning Council (see Table 11) to decline to 9.5% in 1980/81—which would mean a loss of approximately \$500 million. According to the same report (p. 64), Ontario ranks ninth in per capita spending on social programs, even though it is the fourth richest province in Canada, in terms of projected capital wealth.<sup>7</sup>

As a result of provincial budget restraints, municipalities in Ontario have opened only six new centres since 1977; 11 licensed non-profit centres have been set up in the same period, in response to the lack of spaces in government run centres (*Globe & Mail*, July 10, 1980). The

greatest increase in day care services has occurred in the private sector, as a direct result of government policies. According to the 1978 report, "Status of Day Care in Canada" (quoted in Cameron, 1980, p. 2), "in 1978 the largest percentage of day care spaces across the country were under the control of commercial, profitmaking institutions, i.e., 43.5% of the spaces." The report concludes that commercial firms are increasing their control of the overall number of spaces available. In large urban areas like Toronto, there has been a marked trend to commercial centres, especially the large corporations and chain operations such as Mini-Skools.<sup>8</sup> This growth in commercial day care has solved a government dilemma: how to "increase the number of day care spaces without increasing too dramatically the commitment of public funds" (Cameron, 1980, p. 14).

Inadequate day care funding by the government, as well as the expensive fees charged by commercial centres, have limited the accessibility of most parents to group day care. The great majority of pre-school children (80%, according to the 1976 "Status of Day Care in Canada" Report) are cared for by relatives, friends or neighbours—informal, unregulated and unsupervised family day care "completely outside the public sector" (see K. Ross, 1978, p. 113). According to a research project undertaken by the Social Planning Council, more than 40,000 children in Metro Toronto were being cared for by private babysitters (see Lightman and Johnson, "Project Child Care" Report, 1977).

These government cutbacks have clearly coincided with a slowdown in economic growth, most evident since the middle of the seventies. According to economist Arthur Donner's analysis (*Globe & Mail*, Report on Business, Jan., 1981), "Canada's economy has been trapped in a slow growth quagmire

ever since early 1976," although it was only in 1980 that Canada officially recorded a recession. This recession, combined with structural changes in the economy, have had an impact on women's participation in the labour force. While the economic recession may be expected to affect a wide range of industries including those where women predominate, the recent changes in the Canadian economic structure have particularly had a significant impact on the work traditionally performed by women.<sup>9</sup> Although women have continued to seek employment, the needs of capital have not kept pace with the increase in the female labour force. As a result, women now have higher rates of unemployment, both in comparison with their rates of unemployment in previous decades and in comparison with men's rates (Armstrong, 1980). In Ontario in 1979, the unemployment rate for women was 7.8% and 5.6% for men and although women do not yet constitute half of the Ontario work force, 49% of all unemployed workers are women (Ontario Ministry of Labour, 1980).

Despite this significant increase in the unemployment rate for women, governments have not seen this as a major social problem. Instead governments have redefined employment needs and based them on "a belief in traditional family dependency relations" (Social Planning Council, Feb. 1980, p. 53). Thus, the definition of full employment has been revised upwards on the assumption that many of those who are unemployed do not have a serious attachment to the labour market. Higher unemployment rates have become acceptable, especially if many of the unemployed are female. Thus the government has been able to justify cutbacks in areas where women are employed, and the withdrawal of funds for projects for jobless women, e.g., "Womanpower", (Armstrong, 1980, p. 9).

Given the current economic stagnation and

the surplus of labour for women's traditional jobs, it is evident that women are again to be considered surplus to the needs of the economy and encouraged to return to being full-time housewives. One means of "encouragement" is by making day care difficult to obtain—either through an absolute lack of places or through prohibitive fees—and certainly the Ontario government has opted to minimize its spending on day care services. As at the end of World War II, women in the labour force have become expendable; capital no longer requires the mobilization of the reserve labour force of women. Public day care has become a low priority.

Although women's participation in the labour force is well entrenched at this time—women are not likely to return to the home en masse as after World War II—pressures have been growing which make it more difficult for many women to work. Government policies, especially funding restraints for day care services, have created a "disincentive" to women's participation in the labour force. The official unemployment figures tend to ignore a large proportion of women who have dropped out of the labour force, or not tried to enter it, because the obstacles to working have become too great. To be considered a member of the labour force by Statistics Canada, one has to be either employed, or unemployed but actively seeking work. However, this "active job search" criterion enables the government to exclude the "hidden unemployed"—many women—from the unemployment statistics. Thus women who might want to work, but not be able to find adequate jobs or day care, are categorized as "housewives", not unemployed workers.

Factors which determine whether or not someone will actively seek work include wages, job quality, transportation and support ser-

vices such as job training or day care. As noted by the Social Planning Council (Feb. 1980, p. 8), these factors are often areas of social policy where the government might intervene. For example,

if day care were universally available and free of charge, we might expect larger numbers of women to enter the labour market in search of work even at present wage rates.

The Social Planning Council (Feb. 1980, p. 41) argues that "full employment means not only job creation, but a comprehensive set of family support services", including day care.<sup>10</sup>

Current government policies have a very considerable affect on women's employment. Research by the Social Planning Council (Feb., 1980, p. 67) indicates that "real" unemployment among women is considerably higher than the official figures—from 5.6% to 12.9% in metropolitan Toronto. Many of the women who are unemployed or cannot take on full-time work are in that situation because of family responsibilities and the lack of adequate child care arrangements. Present day care policies are clearly effective in reducing the number of women in the labour force. Not only do employed women with children have to leave their jobs because of a lack of child care facilities but many women who would wish to enter the labour force are prohibited from doing so. The control of this reserve army of labour through the provision of specific social programmes is very clear.

### Conclusion

Working women are confronted by many problems ranging from low pay and discrimination on the job, to lack of support services like day care which make it possible for them to

work. Growing numbers of women are entering the contracting job market in order to support themselves and their families; the lack of public child care adds to the difficulties faced by mothers of young children.

Government manipulation of the female labour force was evident in day care policies during and after World War II; it continues to this day. The recent history of day care funding in Ontario can be traced to developments in the economy and the needs of capital for female labour power.

The problems of working mothers are highlighted in Metro Toronto, with a large proportion of single mothers and married women in the labour force. Studies have exposed the total inadequacy of day care facilities and many groups have publicly opposed the Ontario government's cutbacks in day care funding.

As growing numbers of women continue to seek work, the issue of day care has become a key demand of the women's movement. It is now being taken up by the trade union movement as well. Access to quality, affordable day care is being recognized as crucial in order to win equal rights for women.

#### NOTES

1. Day care centres were established as early as the 1850's in Canada; the earliest centres were established in Montreal, one of the first areas to experience urbanization and industrialization (see Cross, 1977, and Lavigne & Stoddart, 1977).
2. Such policies were often explicit, as in the "West End Creche Annual Report", 1890, quoted in Schulz (1978, p. 147): "... we do not encourage women to leave their homes, but we do enable those to go out to work who, from being widows, or deserted wives, or having incompetent or drunken husbands, find themselves under the necessity of doing so."
3. During World War II, there were also established 44 school units (39 of them in Toronto), which provided hot lunches and supervision before and after school for school age children (Pierson, 1977, p. 138).

4. Trey is referring to the situation in the U.S., where policies during and after World War II were remarkably similar to those in Canada.
5. Many women did not accept the day care cutbacks willingly. Despite the end of the war emergency, demands for day care had increased in the fall of 1945 (see Schulz, 1978, p. 153). There was a public campaign in Ontario to keep the day care centres open, which forced the limited continuation of public funding for day care, with the financial responsibility shifted to provincial and municipal governments.
6. The current Ontario Day Nurseries Act was passed in 1970.
7. Keith Norton, Ontario Minister of Community and Social Services, announced on December 18, 1980 that the government plans to spend about \$63 million on day care in the 1981-82 fiscal year. Norton has claimed that the new money—an increase of almost 30% over this year's budget of \$49 million—"well establishes Ontario as the leading province in day care spending" (*Globe & Mail*, Dec. 19, 1980). Such claims remain to be documented. It should be noted that only 1500 new spaces are to be created throughout Ontario, while a number of studies have estimated the need for this many additional spaces in Metro Toronto alone.
8. Action Day Care's 1980 survey of all licensed group day care facilities in Metro Toronto revealed that of a total of 220 centres, 107 were commercial operations (see Table 1, p. 4).
9. For instance, cutbacks in government spending have affected work opportunities for women, see Social Planning Council, July 1980, Appendix One. The impact of new technology is also being experienced in offices and banks—traditional places for women to work, *Globe and Mail*, Report on Business, Jan. 17, 1981.
10. When the provincial government introduced "work incentives" to encourage sole support mothers to get off welfare, this was strongly criticized by a number of community groups as inadequate and a token gesture. Without increased services in day care and job training, as well as job expansion, the work incentives program would not meet the employment needs of single mothers (see Social Planning Council, Feb. 1980, p. 49). It would, however, enable the government to blame "welfare mothers" for failing to take advantage of this program to get off public assistance.

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