

Child-care costs in Canada rose faster than inflation in 2017 ^[1]

Author: Racco, Marilisa

Source: Global News

Format: Article

Publication Date: 11 Dec 2017

AVAILABILITY

Read/listen/watch online ^[2]

EXCERPTS

A new report by the Canadian Centre for Policy Alternatives (CCPA) has found that child-care costs across Canada have risen faster than inflation in 71 per cent of cities since 2016, and in 82 per cent of cities since 2014.

This is the fourth report in an annual series the CCPA conducts to provide a picture of the median costs for child care in Canada's 28 largest cities, including full-time care for infants (under 18 months to two years), toddlers (two to three years) and preschoolers (four to six years).

[Video interview with parents re. management of work and childcare, available to watch online]

"This year, we've found that the costs of childcare are getting worse," David Macdonald, senior economist at the CCPA, says to Global News. "Parents are probably thinking it's time for a time-out on these fees."

The biggest increases were seen in Toronto, both compared to last year and 2014. The Greater Toronto Area has the highest infant care fees at \$1,758 per month, while the suburbs of Mississauga and Vaughan follow closely at \$1,400 per month. Preschoolers have the most numerous spaces in Toronto, and the costs average \$1,212 per month, followed by \$1,000 a month in major cities including Ottawa, Calgary, Richmond and Vancouver.

Since 2014, Toronto has experienced the highest preschool care costs, rising six times faster than inflation, while Richmond saw the highest hike since 2016 at roughly 10-times faster than inflation.

[Select tables from the CCPA report presented; "Median cost of preschool care per month by city"; "Percentage of centres in each city that have a wait list"; and "Percentage change in preschool fees over the past three years", all are available to view online]

"When we compare fees to other years, it's usually for preschool fees," since these are the most used child-care programs, Macdonald says. "Prior to these years, most families are either finding a relative to take care of their kids or they're doing it themselves."

There is, however, a silver lining to the 2017 findings, albeit a faint one. Since banning waitlist fees, Ontario saw a drop in these charges (which typically range from \$20 to \$40, and can add up if parents are putting their kids on multiple lists), although some facilities in Toronto continue to charge to put your child on a waitlist. The same trend was seen in British Columbia, although it's not due to public policy, Macdonald says since the government has not taken action to ban waitlists.

The cheapest cities for childcare remain Quebec, Winnipeg and Charlottetown, where the governments have set low fees and provide operational grants to providers.

"The costs in Quebec have gone up by a substantial percentage — 20 per cent — since the start of this survey [in 2014], but they're still by far the cheapest in all the provinces," Macdonald says.

The reason for this increase is that the government now uses a sliding scale to determine how much to charge for child care based on the median income of the city. However, he says, from a dollar perspective, it's still the cheapest province.

"Montreal is still eight-times cheaper than Toronto. Where Montreal parents pay \$168 per month in child care, irrespective of the age of the child, in Toronto, the cheapest is for preschoolers and it's still \$1,200 per month."

For the first time this year, the CCPA also analyzed the costs in selected rural areas. The report notes that in rural areas of Ontario and Alberta, the fees are not significantly cheaper than in nearby cities.

[Audio clip available online: "Martha Friendly joins The Morning Show on 640 Toronto"]

"Where Canadians live largely determines whether they will be able to access affordable child care," Martha Friendly, executive director of the Childcare Resource and Research Unit, said in a statement. "Governments that set fees and provide operational funding consistently have the lowest child-care fees, compared to areas where the market is left to decide what families will pay."

Macdonald calls child care affordability “an accident of birth,” pointing to the disparity of costs between Ottawa (\$1,000) and Gatineau (\$183).

“There is hope for 2018 since the federal government has shown that it’s more interested in childcare costs than ever before,” he says. “The amounts are likely too small to have an impact on fees directly for now, but it’s promising and we’re seeing a variety of provincial measures being put into pilot projects. Another year will tell if some of the bigger provinces will change their system.”

-reprinted from Global News

Related link: Time out: Child care fees in Canada 2017 [3]

Region: Canada [4]

Tags: fees [5]

waitlist [6]

cost [7]

accessibility [8]

affordability [9]

system [10]

government [11]

funding [12]

income [13]

workforce [14]

wages [15]

economics [16]

child care [17]

Source URL (modified on 27 Jan 2022): <https://childcarecanada.org/documents/child-care-news/17/12/child-care-costs-canada-rose-faster-inflation-2017>
Links

[1] <https://childcarecanada.org/documents/child-care-news/17/12/child-care-costs-canada-rose-faster-inflation-2017> [2]

<https://globalnews.ca/news/3909952/childcare-costs-in-canada-rose-faster-than-inflation-in-2017/> [3] <https://childcarecanada.org/documents/research-policy-practice/17/12/time-out-child-care-fees-canada-2017> [4] <https://childcarecanada.org/taxonomy/term/7864> [5]

<https://childcarecanada.org/category/tags/fees> [6] <https://childcarecanada.org/category/tags/waitlist> [7] <https://childcarecanada.org/category/tags/cost> [8]

<https://childcarecanada.org/category/tags/accessibility> [9] <https://childcarecanada.org/category/tags/affordability> [10]

<https://childcarecanada.org/category/tags/system> [11] <https://childcarecanada.org/taxonomy/term/8941> [12]

<https://childcarecanada.org/category/tags/funding> [13] <https://childcarecanada.org/category/tags/income> [14]

<https://childcarecanada.org/category/tags/workforce> [15] <https://childcarecanada.org/category/tags/wages> [16]

<https://childcarecanada.org/category/tags/economics> [17] <https://childcarecanada.org/category/tags/child-care>