

Daycare fee sticker shock linked to minimum wage hike ^[1]

The already astonishingly high cost of child care continues to rise for some Toronto-area parents as the \$14 minimum wage kicks in.

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Source: Toronto Star

Format: Article

Publication Date: 13 Jan 2018

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EXCERPTS

Some Toronto-area parents, whose child care costs are already the highest in the country, say their fees have jumped by as much as 24 per cent this month in the wake of Ontario's new \$14 minimum wage.

And this is despite a \$12.7-million provincial fund, announced in November, to help daycares weather the wage increase and shield parents from fee hikes.

In Barrie, Taryn Aitken has been hit with a \$368 increase this month for her two youngest children, ages 1 and 3, who attend a privately run centre near her home.

The 18-per-cent fee hike means she and her husband, both public servants who work in Toronto, are forking out an average of more than \$2,426 a month for daycare. Mercifully, their 13-year-old daughter no longer needs care, Aitken said.

"Child care is a luxury for the upper class who can afford it," she said. "Lower income families are subsidized, but where are we left in all of this?"

Aitken said she is tired of Band-Aid solutions from politicians.

"The conversation should be universal child care . . . and it's not just because I have children in child care," she said.

Aitken is not alone in feeling the pain of fee hikes. Parents from across the Toronto area have contacted the Star to say their daycare fees have spiked to cover the minimum wage increase, despite the province's child care fee-stabilization fund.

Scott and Christina Davis, whose 3-year-old son, Sam, attends a private daycare in Brampton, say when they contacted the centre hoping to get their 6-per-cent fee increase reversed, they were rebuffed.

The daycare said it had no information about the new provincial funding and that if a "reassessment of fees" was necessary, parents would be notified. In the meantime, First Friends Preschool and Daycare told the couple the centre is increasing fees to reflect a variety of rising costs, including rent, food, gas and hydro.

"Unfortunately, the increase to minimum wage is only a small portion of our expected increase," owners Sandra Balzan and Noeleen Huston wrote in an email to Scott Davis in December. "We understand that a fee increase is difficult."

The owners did not respond to phone and email requests from the Star for an interview.

Davis and his wife are paying an additional \$60 in daycare fees this month, bringing their monthly payments to about \$1,148. There has been no corresponding increase for their daughter, Violet, 6, who attends a before- and after-school program run by PLASP Child Care Services, a non-profit provider, he noted.

"We are just really disappointed our (son's) daycare is raising fees and we don't seem to be benefiting from the provincial funding that was announced to cover the minimum wage increase," Davis said. "I am also concerned daycares are using the minimum wage as an excuse to boost fees. One of my biggest concerns is transparency."

In Burlington, a parent is grappling with a 24-per-cent increase. Monthly fees at MacFadyen Preschool Academy have shot up to \$1,776 for infants, \$1,598 for toddlers and \$1,506 for preschoolers.

"This is really hurting the middle class," said the father, a Liberal supporter, who didn't want to be named because his child still attends the centre. "I am really curious how the Ontario government is going to handle this issue."

The centre's owner, Lisa MacFadyen-Akinlabi, refused to discuss the increase with the Star.

"I do not have any comment on this ongoing matter at this time," she said.

Child care workers are notoriously low paid — 67 per cent of front-line staff earn less than \$15 an hour, according to a 2015 provincial

survey. Since 2016, wages have been boosted by a \$2-an-hour provincial wage enhancement grant aimed at improving salaries and ensuring workers in licensed child care centres earn a living wage and don't flee for more lucrative jobs.

But since child care is so labour-intensive, parents still pay dearly while scrambling to find licensed spots. According to a recent study, median monthly fees for preschoolers in Brampton are about \$1,000 and \$1,120 in Toronto, the highest in the country.

Last June, the province launched a five-year child care "transformation framework" to begin building a high quality, affordable child care system for all families. It includes \$1.6 billion in new capital funding to kick-start a pledge to add 100,000 licensed spots for children under age 4. Provincially appointed experts are expected to report this year on an affordability plan and a labour force strategy to boost staff training, pay and working conditions.

The provincial fee stabilization fund, an interim measure to address potential fee increases arising from the \$14 minimum wage, is being administered by municipalities, said a spokesperson for Indira Naidoo-Harris, provincial minister responsible for early learning and child care.

"Local service system managers will need to go through their local processes and approvals in order to distribute the funding," Eric McLean said.

To receive the funding, daycares must show how they would use the money to mitigate fee increases, according to ministry guidelines.

Almost half of the fund has been earmarked for GTA daycares with Toronto receiving almost \$2.8 million; Peel just over \$1.2 million; Durham almost \$659,000; Halton about \$765,000; and York almost \$1.4 million.

In Brampton, where the Davis family and other parents have complained about fee hikes, Peel Region staff are working with daycares to ensure the new funding is used to avoid increases, said Suzanne Finn, director of early learning and child care services.

"The region has been and will continue to work collaboratively with licensed child care providers," she said. However, she noted, parents may still see increases related to other rising costs, such as food.

Alison Gregory is thankful she isn't facing a fee hike like her sister Aitken in Barrie. She credits the unionized non-profit centre her children attend in Toronto that already pays its workers a living wage. Gregory says her sister's situation highlights the need for a comprehensive child care system in Ontario that supports both workers and parents.

"I'm deeply frustrated by the lack of action on this issue," Gregory said. "These workers deserve a living wage, our kids deserve safe, quality daycare, and parents deserve to not have to pay an arm and a leg for child care."

East of Toronto, a Whitby municipal worker said part-time after-school fees at her children's daycare were slated to shoot up to \$35 each, per day from \$30 — a 17-per-cent increase.

Outraged, she switched her two children to a less expensive non-profit school-based program run by the YMCA. As a result of that program's lower fees, her family is able to afford full-time care for about the same price. She said she hopes the full-time care will allow her husband, a rotating shift worker, to pick up overtime shifts to supplement the added cost.

Tenants are protected by rent control, the mother noted. But parents with kids in daycare are at the mercy of owners who can raise fees and change policies "at will," she said.

"The daycare system is an open wound," she added. "And the province's announcement that they are going to cover the wage increase is too late. Operators have already taken steps to cover their own backs and ... are taking the shirt off mine."

-reprinted from Toronto Star

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