

Child care subsidy crunch could force young families to leave Toronto ^[1]

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Source: The Toronto Star

Format: Article

Publication Date: 19 Jan 2020

AVAILABILITY

[Access online](#) ^[2]

EXCERPTS

If Toronto does not invest in new child care subsidies, the city will lose young families to the suburbs where living costs are lower and child care is more plentiful, advocates warn.

“If you freeze subsidies when the city and demand (for child care) is growing, parents will be cut out of the workforce,” said Jane Mercer of the Toronto Coalition for Better Child Care.

There are currently just over 80,000 licensed spots in Toronto, but only 30,700 child care fee subsidies to help low- to moderate-income families pay for them.

Despite plans to add another 2,900 licensed spots this year, a staff report to the city’s budget committee recommends freezing the number of subsidies.

Provincial cuts to child care operating funding, announced last year, are to blame for the lack of new subsidies, staff told the committee Friday.

But advocates say Toronto can’t afford to sit on its hands.

“The new spaces we are investing in will become less viable because parents won’t be able to afford them,” Mercer said. “And parents paying full fees will see their costs go up to subsidize the system (vacant spaces).”

Toronto has the highest child care fees in the country, with annual costs topping \$22,000 for infants. A recent city report found child care is unaffordable for more than 75 per cent of Toronto parents. It is a situation the city has been struggling to address, in partnership with Ottawa and Queen’s Park, through a 10-year child care growth strategy.

But Doug Ford’s Progressive Conservative government slashed provincial funding for child care expansion spaces from 100 per cent to 80 per cent, meaning a loss of \$15.1 million to the city this year, said Shanley McNamee, general manager of children’s services.

Although this has been offset by a one-time increase of \$12.3 million in core funding from the province, the city is still \$2.8 million short this year, McNamee told the committee. Toronto would need to raise \$15 million this year to add another 3,000 subsidies to maintain its goal of ensuring at least 40 per cent of spots are subsidized.

“Families with children need child care. If we don’t deliver on child care growth, we will lose families,” Mercer said. “They will move to places like York Region where housing is less expensive and child care is more plentiful.”

Toronto mother Nicole Ramos, 34, is expecting her second child in March and says she “can’t wrap my head around” the possibility of not getting subsidies for her children when she has to return to work in April 2021.

“It would be devastating if we don’t get those subsidies,” said Ramos, whose mother looks after her 15-month-old son, Niko, while she works as an early childhood educator. “My mother is ill and not able to care for two young children. We need daycare and we need subsidies.”

Ramos figures it would cost about \$4,000 a month if she and her partner had to pay full child care fees for an infant and pre-schooler. That’s almost twice the cost of the two-bedroom apartment they rent near Yonge Street and Eglinton Avenue.

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