Some of the highest child care fee increases were in B.C. last year: report [1]

The annual child care survey looked at 37 cities across Canada, including five in B.C.

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Format: Article

Publication Date: 18 Mar 2021

AVAILABILITY Access online [2]

EXCERPTS

Child care fees spiked in several B.C. cities last year as enrolment dropped because of the pandemic, according to a new report from the Canadian Centre for Policy Alternatives on Thursday.

The increases also come despite efforts in recent years by the B.C. government to alleviate child care costs for families.

The annual survey, released this week, looked at 37 cities across Canada, including five in B.C., and found that some of the highest fee increases for regulated child care for kids ages three to five were in B.C. This year, the survey added COVID-19-specific questions to understand the impact of the pandemic on regulated child care.

On average, child care fees went up by eight per cent in Surrey and Richmond, seven per cent in Kelowna, and two per cent in Burnaby, according to the survey.

The only B.C. city surveyed that saw a decrease was Vancouver, where daycare costs dropped by two per cent, according to the report.

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The most recent Canadian Centre for Policy Alternatives report notes the cities of Surrey and Richmond have the largest proportion of for-profit child care centres, while Vancouver has little for-profit child care.

The survey of 11,000 regulated child care providers was conducted between Sept. 22 and Nov. 13, 2020, when many parents were working from home because of the pandemic.

In every city outside Quebec, there were at least 10 per cent fewer children in child care in the fall of 2020 compared with February before the pandemic, and 27 of 37 cities showed enrolment drops of 20 per cent or higher.

In Richmond, for example, enrolment was down 32 per cent, while in Surrey it was down 23 per cent.

Median infant fees were the lowest in Quebec, at \$181 a month, compared with Toronto's fees of \$1,866 a month, the highest in Canada. Richmond was 10th highest out of the 37 surveyed in the country at \$1,300 a month. The highest toddler fees were also in Toronto at \$1,578, while Vancouver was 12th highest at \$1,165 a month.

Among the 17 cities in which toddler fees were more than \$1,000 a month, 11 were in Ontario, four in B.C., and in Calgary and Iqaluit.

Fee increases jumped in several B.C. cities, despite a provincewide fee-reduction program. Burnaby's rose by \$20 a month, while in Kelowna, Surrey and Richmond, fees spiked between \$60 and \$73 a month. Those fees include the province's fee-reduction program of \$100 a month per pre-school-age child in centres and \$60 a month in family child care.

Without child care for non-school-aged and elementary-school-aged children, the report points out that parents, especially mothers, who were trying to work at home or who were still working at jobs outside the home, struggled daily.

When most licensed child care centres reopened by late May 2020, the close-contact environments became a source of anxiety for parents.

"Combining the impact of unemployment and high fees in particular cities has clearly led to significant pressures on parents. The predictable result of substantial drops in enrolment if fees are unaffordable is exacerbated when pandemic job loss is experienced," the report noted.

It concludes that fees for parents in most Canadian cities are "still sky-high — horrifically high in some cities — especially for parents with two children, let alone three."

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The lowest fees are in the provinces that provide substantial operational funding, and then set and cap parent fees, the report found.

In 2018, B.C. introduced a fee reduction program as part of a billion-dollar child care plan. The program aimed to cut daycare costs by up to \$350 a month per space, depending on a child's age and the type of child care facility they are registered with.

While it was expected that the money would go to the daycare and the savings passed on to parents, some families found that was not the case, with some for-profit facilities accepting the funding and then turning around to increase their fees. Others increased their fees just as the provincial funding was brought in.

Daycares were required to disclose any recent or upcoming fee increases as part of their application, and complaints about child care providers who hiked fees just before funding was introduced later prompted a government review.

In a 2020 Canadian Centre for Policy Alternatives report, it was found that the provincial funding appears to have stopped increases between 2017 and 2019, but didn't substantially reduce fees for children over three years old. Fees declined for children under three in Burnaby and Vancouver, where most centres are not-for-profit.

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