

# Report: Child care centres are seeing a “dramatic” decline in enrolment due to COVID <sup>[1]</sup>

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## AVAILABILITY

Access online <sup>[2]</sup>

## EXCERPTS

The authors of a national report released today highlighting COVID-19's impact on Canada's child care sector are sounding the alarm about the need for sustained, substantial operational funding to transform child care “before it's too late.”

The Canadian Centre for Policy Alternatives study, titled ‘Sounding the Alarm: COVID-19's impact on Canada's precarious child care sector,’ found “dramatic” drops in enrollment at full-time licensed centres across the country while revenue-generating parent fees remain “unaffordably high.”

The report's authors also found that child care centres in Canadian cities offering lower fees due to provincial funding — notably Quebec's set fee system — are “holding their own” during the pandemic.

In many cities outside P.E.I, Newfoundland and Labrador, Manitoba, and Quebec, child care services are forced to rely on parent fees. As parents continue to struggle with the economic impacts of COVID-19, many can no longer afford child care.

“The pandemic has shown how essential child care is...We know that parents have been facing not just child care, but also the home schooling and are often dealing with elder care,” Christine Saulnier, Nova Scotia director of the Canadian Centre for Policy Alternatives (CCPA-NS), said in an interview.

“We have a new premier talking about economic equality and more inclusive economic growth and well-being. Child care is essential. In a real kind of economic analysis this is about the future of our province. These are our future workers likely, and we need to invest in them.”

The report's authors, Martha Friendly and David Macdonald, found that cities with higher child care fees experienced more substantial drops in the number of children being enrolled in child care centres.

In nine of 25 cities for which data were available, for-profit fees were at least 25% higher than not-for-profit fees, with some substantially higher.

Among the report findings specific to Halifax, for-profit child care fees are 5% more expensive than fees at the city's non-profits.

The median monthly infant fee in Halifax was \$957, \$853 for toddlers, and for preschoolers it was \$868. Toronto was the least affordable city for child care in Canada, with median preschool-age fees of \$1,250 a month, and \$1,866 a month for infants.

The authors noted that in Halifax, there were 23% fewer children in child care in the fall of 2020 compared to February of 2020, a figure representing about 800 children.

“That there are 800 fewer kids enrolled, means those child care providers are lacking the parent fees that are a core part of their operating budget. The government must stop adding to the patchwork of grants and subsidies,” Tammy Findlay, child care policy expert, and political and Canadian studies professor at Mount Saint Vincent University, said in a media release.

“All families and children deserve access to a seamless system and this requires operational funding that addresses low wages, high fees, and ensures quality programming is accessible to all those who want it across the province.”

The report also found that 4% of child care centres in Halifax had to increase their fees as a result of COVID-19.

## ‘Urgent’ situation

Quebec City, Longueuil, Montreal, Laval, and Gatineau were the most affordable cities for child care in Canada, followed by Winnipeg and Charlottetown. The report's authors noted that these cities “are in provinces that fund child care services and set parent fees to keep them manageable.”

“If you look at the child care fees, it's clear that if you are losing income you are not going to be able to afford child care. Families before were not only struggling to find child care, they were struggling to afford the childcare that they could find,” Saulnier said.

“So declining enrollment means that our child care providers are now forced to think about how do they fill that gap, because they are so reliant on parent fees.”

Saulnier said it was important the provincial government recognized the reliance licensed child care centres had on parent fees by covering those fees when centres were forced to shut down early in the pandemic.

“If they hadn’t, none of those non-profit centres would have come out of even that first shutdown. They would have had to close,” Saulnier said.

“What would they have done without parent fees? And parents, after losing jobs, couldn’t have paid for those. And why would they pay for something they don’t get access to?”

But Saulnier went on to describe the current child care situation as “urgent,” noting that the provincial government must do more to recognize the current precariousness of the sector. She pointed to the need for better retention strategies and higher pay for early childhood educators (ECEs), along with affordable (if not free) training opportunities.

“We also need to provide operational support to the child care providers that exist in the province and figure out how to transition into a system,” she said.

“So let’s make a plan that shows how we’re going to actually do that.”

For a decade, Saulnier said the CCPA has been calling for investment in a system similar to what exists in other jurisdictions, including Quebec. She described the need for supporting the sector and investing in a robust system as “urgent,” adding that access shouldn’t be dependent on a parent or guardian’s working status.

“Children should be having access to early learning opportunities regardless of their parents’ status. We don’t do that for public school, we recognize why we don’t do that,” she said.

“It’s a universal system and that’s how it should be for our child care...It needs to be appropriate for them, but it needs to be operated and managed and funded similar to public education.”

Saulnier points to the report highlighting the child care cost at a set fee centre in Quebec is \$8.35 per day. According to the study’s authors, those child care centres have experienced the least impact on enrollment.

“The places where we’re seeing the highest unemployment, we’re seeing the largest drop in enrollment. So we can assume that those two things are definitely connected,” Saulnier explained.

“In Quebec, because we can drill down and look at the set fee centres versus the other large sector that’s outside of the subsidy, the one that’s much more expensive has seen a decline.”

Universal child care system ‘far past due’

Alec Stratford, CCPA-NS chairperson and a parent, said last week his family was one of 56 advised that their child care centre was closing due to a lack of staff.

While his family was fortunate to learn on Monday they have continued child care elsewhere, many other families aren’t so lucky.

In an interview, he said it is “far past due” that we create a universal child care system, adding that it’s impossible to deny the data showing the benefits to society and for women.

“Given that we’re looking at a long economic recovery and the burden that women have taken on in providing that child care, it makes no sense to me why we wouldn’t move forward with that program now,” Stratford said.

“The data shows that for every \$1 you spend, \$2 returns to the economy. It is literally one of the most beneficial economic strategies that you could put into play.”

In the report’s conclusion, the co-authors note:

This survey continues to illustrate the clear need that families across the country have for reliable, affordable child care. The COVID-era enrolment data illustrates that relying on parent fees to finance what should be a reliable, sustainable, quality child care system to support families in good times and bad does not work.

The full report is based on data from a survey involving 11,000 phone calls, representing a sample of 53% of regulated full-time centre-based and regulated family child care in Canada.

**Related link:** Sounding the alarm: COVID-19’s impact on Canada’s precarious child care sector <sup>[3]</sup>

**Region:** Nova Scotia <sup>[4]</sup>

**Tags:** child care fees <sup>[5]</sup>

affordability <sup>[6]</sup>

child care spaces <sup>[7]</sup>

funding <sup>[8]</sup>

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#### Links

[1] <https://childcarecanada.org/documents/child-care-news/21/03/report-child-care-centres-are-seeing-%E2%80%9Cdramatic%E2%80%9Ddecline-enrolment> [2] <https://www.halifaxexaminer.ca/province-house/report-child-care-centres-are-seeing-a-dramatic-decline-in-enrolment-due-to-covid/> [3] <https://childcarecanada.org/documents/research-policy-practice/21/03/sounding-alarm-covid-19's-impact-canada's-precarious-child> [4] <https://childcarecanada.org/taxonomy/term/7853> [5] <https://childcarecanada.org/category/tags/child-care-fees> [6] <https://childcarecanada.org/category/tags/affordability> [7] <https://childcarecanada.org/category/tags/child-care-spaces> [8] <https://childcarecanada.org/category/tags/funding>