

# Fee caps make opening a daycare 'impossible' in Greater Victoria, say providers <sup>[1]</sup>

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## EXCERPTS

Daycare providers across Greater Victoria say childcare is reaching a crisis point.

"We're women. We're mothers. We're educators. We're not making much money," said Jennifer Delaney, who runs the Nurture Early Childhood Education Centre in Victoria West. "We're just trying to create more daycare spaces. But with the new fee caps, we can't."

In a push to provide \$20 a day daycare by December 2022, the province introduced fee caps for daycares wanting to opt into their affordable daycare programs.

The problem is that private daycare providers are now finding the new fee caps are making business impossible.

"The new fee cap will completely annihilate the creation of new infant toddler spaces in the city of Victoria," said Delaney.

"It will be impossible to operate affordable childcare with the fee cap. The only way any new centre will operate is if they charge upwards of 2,000 dollars a month to parents. That's a fact."

Delaney opened Nurture back in 2020, one year before fee caps came into place. This year she started thinking about expanding into another centre and looked into leasing a new space. But when she crunched the numbers, she found that with fee caps the government has imposed, she wouldn't be able to cover her basic operational expenses.

And making parents pay more, isn't something Delaney wants to do.

"I don't want to become a centre for the elite. I want to be able to provide affordable childcare," said Delaney. "I don't think a fee cap is the worse thing in the world. I just think it's too low."

B.C.'s Minister for Child Care Katrina Chen says she'll be following up with Delaney but that this is likely a one-time thing.

"We have taken into consideration the new startup costs, so I guess this would be an individual case where we can learn what other startup costs are involved," said Chen.

But Marley Butler, co-owner of Blue Heron Montessori, says this is much bigger than a one-off.

"If we didn't have the other centre, we'd have to close down," said Butler.

Blue Heron Montessori is pulling funds from the older age daycare they own in James Bay (which requires fewer employees per child than their infant daycare) just to break even.

At their infant daycare in Esquimalt, Butler says they're running a deficit every month. But beyond their loss, she says the current fee cap system is actually forcing others out of the industry

"This month I know of six [daycares] that have closed in Victoria," said Butler. "A lot of that has to do with the fee caps."

The Official Opposition's Child Care Critic says the current government may be setting up cheap childcare, but at a price.

"What's going to happen is you're going to lose quality. The hot lunch isn't going to happen, it will start to push down ECE wages. It's a broken system," said MLA Karin Kirkpatrick.

Kirkpatrick also says it's also an issue she had already flagged with Minister Chen.

"It's something that I raised with the Minister last year," said Kirkpatrick. "This NDP government seems to have a hard time understanding operating costs and cost structures for these poor childcare providers. There's a lot of conversation about affordable child care which sounds great to parents, but when you're focused on affordability it doesn't matter how much it costs for the space, if there's no space."

Minister Chen told CHEK News of the 30,500 affordable childcare spaces 'created' so far, 10,000 are currently being operated. Some

spaces are sitting empty, as the industry struggles to hire in an ECE shortage and to recruit.

Meanwhile, daycare waitlists are overflowing.

“I can’t even keep track of how many people we have on the waitlist right now. And we only have one space opening this year,” said Butler. “We need someone to listen to our voices.”

Both operators are calling on Minister Chen to increase fee caps in line with market-rate rent, inflation, and other operating costs that are a reality for daycares in Greater Victoria.

“We’ll take it to the pickets if we need to,” said Delaney. “A coalition is forming right now, we have 160 providers in British Columbia. We’re starting a movement now because the crisis is here. It’s now.” said Delaney.

**Region:** British Columbia <sup>[3]</sup>

**Tags:** fee cap <sup>[4]</sup>

access to child care <sup>[5]</sup>

early childhood workforce <sup>[6]</sup>

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<https://childcarecanada.org/taxonomy/term/9213> [6] <https://childcarecanada.org/category/tags/early-childhood-workforce>