

Time Out

Child care fees in Canada 2017

David Macdonald and Martha Friendly





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Executive Summary

THIS STUDY IS the latest in a series of studies conducted annually since 2014 including *The Parent Trap* (2014), *They Go Up So Fast* (2015) and *A Growing Concern* (2016).

Infant fees are, not surprisingly, generally the highest of the three age groups. Ontario cities had the highest infant fees, with Toronto having the highest median full-time centre-based and regulated home child care infant fees in the country at \$1,758 a month, or \$21,096 annually. Second highest was Mississauga (ON), where parents pay at the median \$1,452 a month, followed closely by another Greater Toronto Area (GTA) city, Vaughan (ON), with median fees of \$1,415. The infant fees in Montreal are \$168 a month – 10 times cheaper than Toronto’s – while the next four cities of Gatineau, Laval, Longueuil and Quebec City are at \$183 a month.

Quebec, Manitoba and PEI all fund child care operationally, which allows them to set more affordable maximum child care fees provincially. As a result, cities in those provinces generally have the lowest parental fees. Quebec’s set fees are the same regardless of the child’s age, while Manitoba’s and PEI’s set fees are – like parent fees in the market-based cities – higher for infants and toddlers.

Toddler fees are highest in Toronto, with a full-time space costing \$1,354 a month, or \$16,248 a year. Vancouver’s toddler fees are second highest, with parents paying \$1,292 a month, and Mississauga (ON), Burnaby (BC) and Richmond (BC) tying for third most expensive for toddlers at \$1,200 a month. Least expensive again is Montreal, with a toddler space costing \$168 a month, followed by Gatineau, Laval, Longueuil and Quebec City, all with median fees of \$183 a month.

Child care spaces for preschool-aged children make up the largest group of regulated spaces by far, and preschoolers are much more likely to be in centres, not home child care. Here, again, Toronto is the most expensive city in the country, with full-time median preschool fees of \$1,212 a month or \$14,544 annually. In fact, Toronto has the unfortunate designation as the most expensive city in Canada for child care across all age groups. Mississauga (ON) and Brampton (ON) are next highest for preschoolers, with median fees of \$1,052 and \$1,050 respectively. Montreal has the lowest fees at \$168, followed by Gatineau, Laval, Longueuil and Quebec City, where fees are \$183 a month.

Richmond (BC) reports the largest increase in preschooler fees since 2016 – 12% or an additional \$105 a month – which is 10 times the rate of inflation. In fact, 71% of the cities surveyed in 2017 saw their fees rise faster than inflation in the past year.

Since 2014, preschool fees have risen faster than inflation in 82% of the cities surveyed. Over the past three years, Toronto has seen the largest preschool fee increase of \$214 a month or 21.4% – six times faster than inflation.

This 2017 survey is the first time we have surveyed child care fees outside the largest cities. Surveying all fees in rural child care centres and regulated home child care in Ontario and in one area in eastern rural Alberta shows that fees are – contrary to expectations – not particularly low; they are mostly in the mid-range compared to median city fees across the country. Fees tend to be similar to those in nearby cities. Thus, for example, preschool fees in central rural Ontario (\$911 a month) are not much different than those found in the nearby city of Hamilton (\$931 a month).

Wait lists for child care tend to be almost universal in big cities. They are slightly less common in Calgary and Edmonton, although their prevalence has risen since last year. St. John's (NL), Saint John (NB), Markham (ON) and Vaughan (ON) also have fewer centres maintaining a wait list than they did last year.

The prevalence of wait list fees has also declined dramatically since last year. Interestingly, although the Ontario government prohibited them in 2016, they persist in several Ontario cities. In British Columbia, a trend away from wait list fees appears to be occurring, although unlike in Ontario, it is not attributable to public policy.

The data shows that policy matters when it comes to parental fees with provinces providing operational funding consistently showing the lowest fees. Without doubt, child care fees in most of Canada are far too expensive for many. While the ongoing child care fee data is filling an important gap, fees are only part of the puzzle of how parents are coping with finding care for their children.

Introduction

FOLLOWING THE 2015 federal election won by a Liberal government that vowed to “meet with provinces, territories, and Indigenous communities to begin work on a new National Early Learning and Child Care Framework, to deliver affordable, high-quality, flexible, and fully inclusive child care for Canadian families,”¹ the Government of Canada released a Multilateral Framework on Early Learning and Child Care on June 12, 2017.² The framework emphasizes collaboration between the federal government and provinces/territories, and states that the governments “agree that the further development of early learning and child care systems is one of the best investments that governments can make to strengthen the social and economic fabric of our country.” Highlighting five principles – high-quality, accessibility, affordability, flexibility, and inclusivity – the federal government committed to funding through 2028, committing that “the annual allocation until 2027 and 2028 will be no less than the allocation of 2017 and 2018.” It specifies that provincial/territorial use of the federal funds will be limited to “families more in need,” defined as lower-income families, Indigenous families, lone-parent families, families in underserved communities, those working non-standard hours, and/or families with children with varying abilities.”

The funding to accomplish the child care plan was outlined in the 2017 federal budget. It included federal funding of \$540 million in 2018-2019, rising to \$550 million in 2020-2021. By 2026-2027, the Government of Canada’s child care funding is envisioned to reach \$870 million.

At the same time — and in some instances linked to the action plans provinces and territories are all developing regarding the national framework — jurisdictions are taking various child care initiatives. Several provinces are experimenting with affordable child care for middle class parents, including a small pilot project in Alberta, the development of an affordability strategy and significant space expansion in Ontario, and a commitment to put in place affordable universal child care by the new government in British Columbia. Others are examining their staff training and funding arrangements, considering workforce strategies, increasing subsidized child care and considering other changes. How these will affect the common commitment to the principles set out — quality, accessibility, affordability, flexibility, and inclusivity — will be seen after all bilateral agreements and action plans are completed and the additional federal funds begin to flow to provinces/territories. Next year’s version of this fee survey may well shed some light on these details. This year’s survey, however, shows that in 2017, regulated child care continues to remain scarce and expensive.

This survey, the fourth in a series beginning in 2014, shows that a young middle-income family living in Toronto with an infant and a three-year-old would be faced with a monthly bill of almost \$3,000 (or \$36,000 a year) for regulated child care *if* they were able to find a space. In fact, 95% of Toronto centres reported in 2017 (up 6 percentage points from 2016) that they maintained waiting lists for spaces. Recent research from other sources confirms these findings. A Toronto economic modelling study found that 75% of all families cannot afford regulated child care,³ while in a Manitoba survey, 75% of the 1,000 respondents said that “child care is too expensive in Manitoba.”⁴

This survey and other research, such as that cited above, show that child care affordability is a significant issue for modest- and middle-income families, not only for those who are lower income. A previous version of this report (2016) examined the parental fees faced by low income families even after including low income subsidies.⁵ Applying the provincial fee subsidy guideline to a sample low-income family (in Quebec, the basic fee was used instead), the 2016 report revealed that the subsidy programs often did not make child care affordable even for the low-income families for whom they are intended. The analysis found that eligible families are expected to pay additional funds up to almost \$500 a month per child, or they may be unable to access a fee subsidy as they are rationed in some regions. The issue of affordability and the existing fee subsidy systems will be explored in more detail in a separate paper later this year.

The Results

THIS STUDY IS the latest in a series of studies conducted annually since 2014 including *The Parent Trap* (2014),⁶ *They Go Up So Fast* (2015)⁷ and *A Growing Concern* (2016).⁸

The results presented below represent full-day, full-time fees paid by parents (who do not receive a subsidy) in child care centres and regulated home child care. In almost all cases, the actual cost of providing a space is higher than what parents pay due to some public operational funding of various kinds (for example, operating grants and wage enhancement). These programs are not examined in detail here, but are provided in various forms by all provinces/territories.

The data were collected through a phone survey of regulated full-day licensed child care centres and licensed child care homes (or licensed home child care agencies) conducted from June 2017 through October 2017. In most cases, all child care centres and licensed child care homes (or licensed home child care agencies) were called in each city; in larger cities a random sample was surveyed. Please note that this survey does not extend to unregulated family child care and paid relative care, which makes up a significant proportion of the paid child care provided in Canada.⁹ For the full methodological details see Appendix II.

Full-time infant fees

Infant spaces make up the smallest group of spaces of the three full-time age categories examined in this report. The definition of “infant” varies by province/territory but is generally between birth and two years.¹⁰

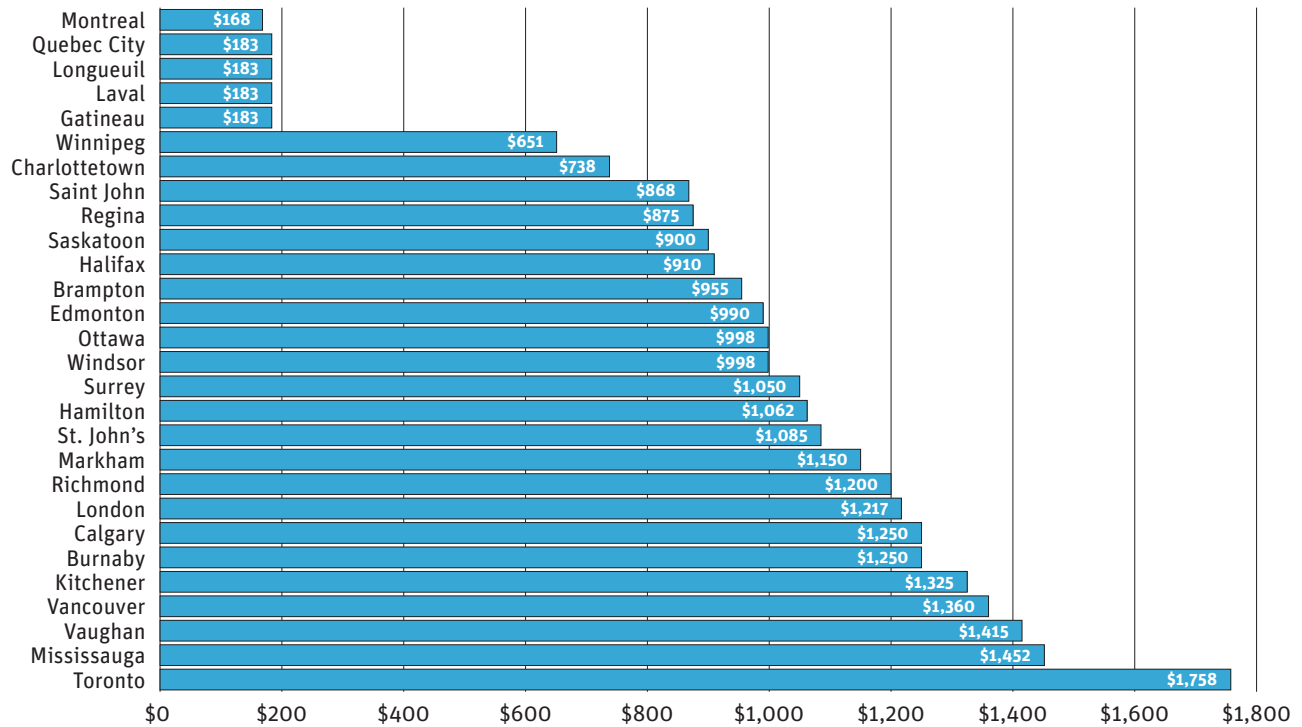
Fees in this age category tend to be highest, regardless of the city. By regulation, infants require a higher ratio of child care providers per child, which increases the cost of providing this type of care. Infant spaces in centres are scarce and infants are proportionally more likely to be in regulated home child care than children in other age groups. Details can be found in *Table 2* of Appendix I. The median fee for infant care may be lower in cities where regulated home child care (which is generally cheaper, particularly for infants) is more prevalent.

By far the most expensive surveyed city for infant care is Toronto, with a median monthly full-time cost of \$1,758 or \$21,096 annually. This is more than \$300 more a month than the next most costly city of Mississauga (ON), right next door, where the median monthly fee is \$1,452. The third most expensive city is Vaughan (ON), also in the Greater Toronto Area (GTA), with a monthly fee of \$1,415, putting the three most expensive cities for parents with an infant all in the GTA. To find the first non-Ontario city, one must move to fourth place Vancouver (BC) where median monthly infant fees are \$1,360.

The lowest fee city for full-time infant care was Montreal, where parents paid only \$168 a month, which is 10 times cheaper than infant care in Toronto. The next least expensive cities, all in Quebec (Gatineau, Laval, Longueuil and Quebec City), have the same median monthly cost of \$183 a month. Quebec cities, like cities in Manitoba and Prince Edward Island, have fees that are set by the government.

In Quebec, households with net incomes up to \$52,060 pay a basic fee of \$7.75 a day. Between \$52,060 and \$77,550 in net income the fee is \$8.45 a day; the fee is then set on a sliding scale to a maximum of \$21.20 a day at \$162,490 in family income.¹¹ Further exaggerating the considerable fee gap between Quebec cities and the rest of Canada is that the provincially set fees in Quebec do not change based on a child’s age, as they do everywhere else. The median income of a family with children aged five or under in Montreal is \$47,289 in 2017, setting its fees at \$7.75 a day or \$168 a month.¹² The median family income in the other Quebec cities sits between \$59,268 (Longueuil) and \$76,356 (Quebec City), which puts their fees at \$8.45 a day or \$183 a month at those income levels.¹³

FIGURE 1 Median monthly fees for infants, 2017

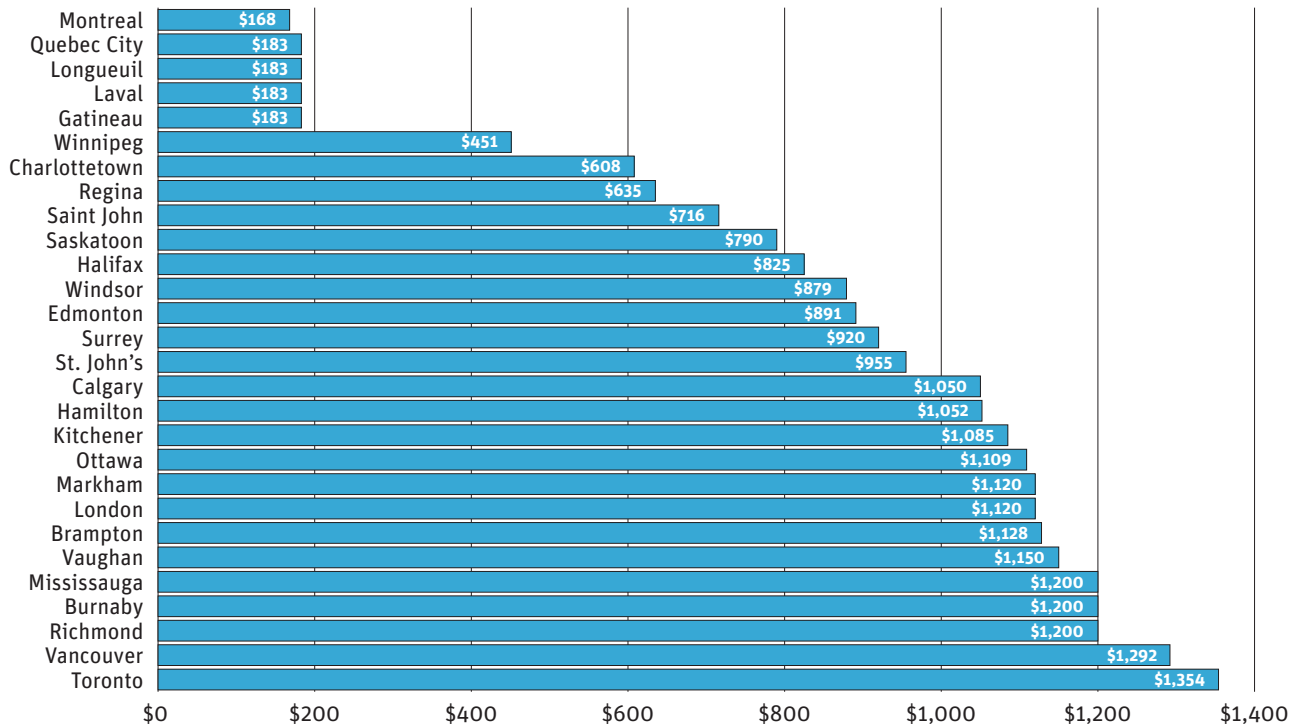


Source See Appendix I for a breakdown of all fees.

Quebec now has two categories of for-profit centres: those that are operationally funded and maintain set fees and those without a set fee for which parents receive a tax rebate for up to \$35 a day. This tax rebate is unique among the set fee provinces. The market priced sector in Quebec has been expanding rapidly, although at present it has fewer spaces than those in funded centres and home child care. As the operationally funded sites have more spaces, the median fee for each city is the set fee, however a substantial portion of Quebec parents face much higher fees than the set fees cited here. This (2017) fee survey did not survey those higher priced tax-rebate centres.

In sixth place is Winnipeg (MB), where infant care costs \$651 a month. Manitoba also funds child care operationally¹⁴ and has set province-wide fees, although at a higher level than Quebec, reducing fees as the child ages.

FIGURE 2 Median monthly fees for toddlers, 2017



Source See Appendix I for a breakdown of all fees.

Full-time toddler fees

Child care spaces for toddlers, who are between about 18 months and three years by provincial definition, are numerically the second most common. Fees for this age group are generally between the more expensive infant fees and the less expensive preschooler fees. In regulated home child care, toddlers are often the largest age category (see *Table 2*).

As with infants, Toronto is the most expensive city in the country for parents seeking licensed toddler care. The median monthly toddler fee in Toronto is \$1,354 or \$16,248 a year. This is \$62 more expensive a month than second place Vancouver, where parents would pay \$1,292 a month for a toddler space. The third most expensive cities are Mississauga (ON), Burnaby (BC) and Richmond (BC), where median toddler fees are \$1,200 a month. Cities in British Columbia and Ontario dominate the rankings of the most expensive care for toddlers.

The least expensive city for a toddler is (again) Montreal at \$168 a month, eight times less expensive than Toronto. The Quebec cities of Gatineau, Laval, Longueuil and Quebec City are all tied for second least expensive at \$183 a month. The next least expensive cities are Winnipeg, where parents pay \$451 a month, and Charlottetown (PE) at \$608 a month. As with infant fees, the lowest toddler fees are in the cities that operationally fund child care and set fees provincially. Quebec’s operational funding is by far the most generous; not surprisingly, Quebec parent fees are the lowest by far.

In some cities, infant fees are lower than toddler fees. This is due to a larger proportion of infant spaces being provided by less expensive home care, thereby driving down the infant median, which is almost always higher than the toddler median due to higher staff-to-child ratios.

In Ottawa, for instance, 64% of infant spaces are provided in home child care, creating a lower median fee for infants than for toddlers. In contrast, in Toronto only 35% of infant spaces are in home child care; as such, the median infant fee is higher than for a toddler. This fee inversion due to home care is seen in Ottawa and Brampton; Richmond and Hamilton are approaching an inversion of infant fees being less than toddler fees.

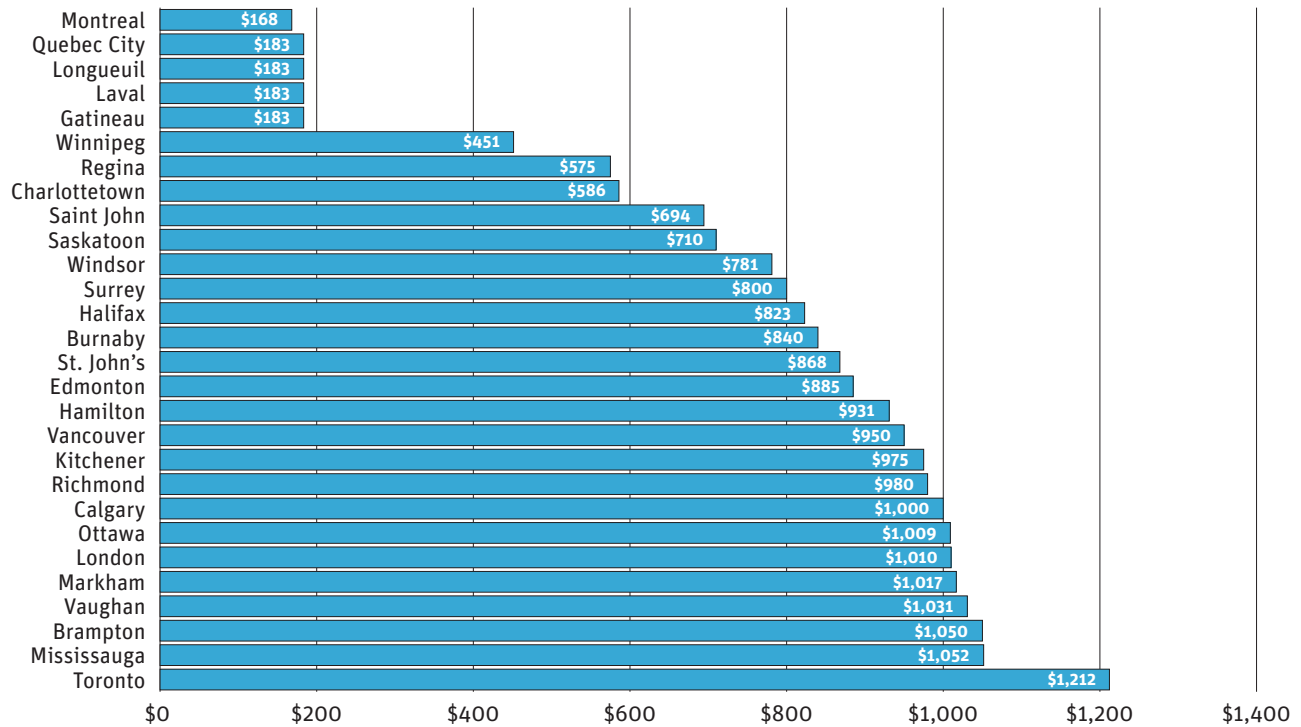
Full-time preschooler fees

Because preschooler spaces are by far the most numerous, fees for preschool-age child care represent what the bulk of parents actually pay for child care. Thus, we provide an extended analysis of these fees and their changes over time below.

Generally, “preschoolers” are between the age of 2.5 and whenever they start attending kindergarten (which in most provinces is in September of the year they turn five, but four in Ontario and some other provinces/territories). Just as for other age groups, this report only includes the fees for full-time preschool spaces.

Child care spaces for preschoolers are predominantly in centre-based care rather than home child care; between 60% and 70% of centre spaces are designated for preschoolers. In regulated home child care, 20% to 45% of spaces were used by preschoolers, although the fees in home child care for preschool spaces are lower than in centres (see *Table 1* for a city breakdown). Fee for preschool spaces are almost always lower than the other age groups, due to the lower required number of child care staff per child.

FIGURE 3 Median monthly fees for preschoolers, 2017

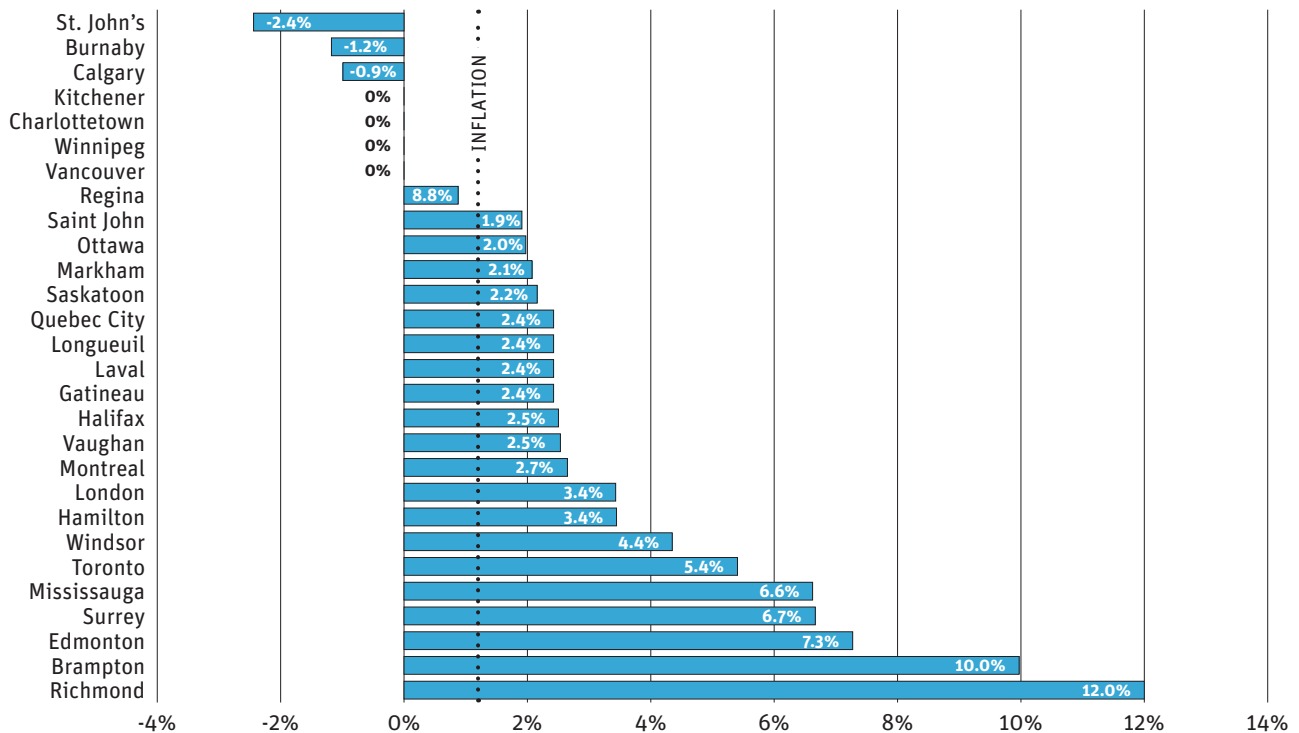


Source See Appendix I for a breakdown of all fees.

As with the other two age categories, Toronto tops the fee rankings, with a median preschool space parent fee of \$1,212 a month or \$14,544 annually. This is \$160 more a month than in the second highest city, Mississauga (ON), where a preschool space costs \$1,052 a month; Brampton (ON) has a very similar median fee of \$1,050. Following the most expensive cities (which, as with infant fees, are all in the GTA) are a set of seven cities closely clustered within \$30 of \$1,000 a month, including Vaughan, Markham, London, Ottawa, Kitchener (all ON), Calgary (AB) and Richmond (BC).

Montreal has the lowest fees for preschool spaces at \$168 a month — seven times cheaper than those in Toronto. The next four least costly cities are in Quebec: Gatineau, Laval, Longueuil and Quebec City at \$183 a month. Next is Winnipeg at \$451 a month, followed by Regina (\$575), without set fees, which is slightly cheaper than Charlottetown (\$586), where the province sets fees. The gap between Quebec cities and others is somewhat smaller than it is for other age groups, as the fees in Quebec don't decline for older children, as they do most other cities.

FIGURE 4 Change in median preschool fees between 2016 and 2017



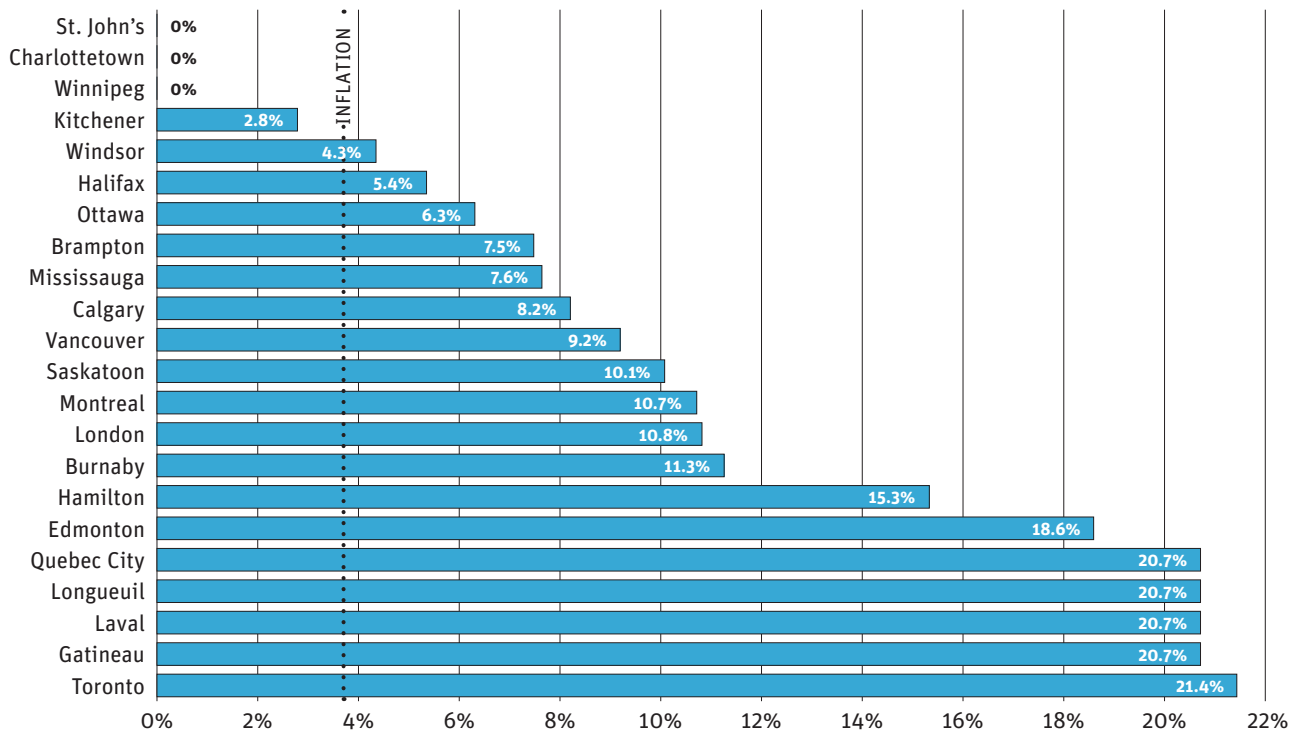
Source Cansim 326-0020 July 2016 through July 2017, A Growing Concern (2016), see Appendix I for a breakdown of all fees and author's calculations.

Since our last survey of child care fees, in the summer of 2016, the rate of inflation has been 1.2%.¹⁵ Of the 28 cities with available data, 20 of them, or 71% of the cities included in this survey, have preschool fees that increased faster than the rate of inflation over the past year.

Three cities — St. John's (NL), Burnaby (BC) and Calgary (AB) — have seen median preschool fees fall slightly since last year, and those fees in four others remained unchanged: Vancouver (BC), Winnipeg (MB), Kitchener (ON) and Charlottetown (PE). (Note that two of these last cities, Winnipeg and Charlottetown, are in provinces with set fees in which governments haven't changed those fees in the last year).

The largest fee increase was in Richmond (BC), where fees leapt up 12% or \$105 a month since last year. This is in part due to individual providers raising their fees, as well as new providers with higher fees starting to provide care there. Brampton's increase was similar at 10% or \$95 a month. Edmonton parents experienced the third largest increase at 7% or \$60 a month for a preschool space.

FIGURE 5 Change in median preschool fees between 2014 and 2017



Source: Cansim 326-0020 July 2014 through July 2017, *A Growing Concern* (2016), see Appendix I for a breakdown of all fees and author's calculations.

Fees increasing much faster than the rate of inflation has been a concerning trend over the four years in which we have surveyed fees. Further, as this is our fourth annual survey, some longer-term conclusions on fee increases are emerging.

As shown in *Figure 5*, none of the cities included in this analysis have experienced a decrease in fees since 2014, although Winnipeg (MB), Charlottetown (PE) and St. John's (NL) fees have remained unchanged. It should be noted that Winnipeg and Charlottetown are located in provinces that support child care operationally and set fees at rates that haven't changed since 2014. In St. John's, which operates on a market fee system, fees in 2017 are at the same level as they were in 2014, while in Kitchener (ON) there was a small increase of 2.8% in median preschool fees since 2014 (\$26 a month).

Inflation over this three-year period was 3.7%.¹⁶ Of the 22 cities surveyed in 2017 with data going back to 2014, only the four above experienced fee increases at less than the rate of inflation. The other 18 cities surveyed (82%) reported increases above the rate of inflation — in many cases several times so.

Toronto, with the highest preschool fees in the country in 2017, also reports the largest increase in those fees over the past three years — 21.4%, or \$214 a month, almost six times faster than inflation. Thus, Toronto child care provision earns several dubious distinctions: Toronto has the highest child care fees in every age category *and* it has experienced the fastest rise in fees since 2014.

Since 2014, the Quebec cities of Gatineau, Laval, Longueuil and Quebec City have also experienced substantial fee increases of 20.7% (although this only represents \$31 a month). This is primarily driven by policy-related increases¹⁷ resulting from the sliding scale introduced in 2015. Edmonton is not far behind Toronto and cities in Quebec, with an 18.6% increase (\$139 a month) since 2014.

Rural child care in Ontario and Alberta

This year, the phone survey was expanded outside Canada's large cities to examine child care fees in rural areas of Ontario and Alberta. As Canadian postal codes contain a designator for rural areas (the second digit in the postal code is "0"), it was possible to identify rural child care facilities and home agencies. Using that designation, this year's survey phoned all centres and home child care agencies in Ontario located in rural postal code areas and grouped them by the four postal code letters for Ontario of P (Northern), K (Eastern), M (Central) and N (Southwestern). A fifth rural area in the east part of Alberta, made up of the TOA, TOB and TOC postal codes was also surveyed, including all centres and home child care agencies. See *Figure 6* for a map of those rural areas.

One consideration in these rural areas is the prevalence of First Nations child care, especially in northern Ontario. As child care in First Nations communities often has different funding arrangements, rural child care and First Nations child care were analyzed separately.

Figure 7 repeats *Figure 3* above, but includes the median preschool fees in the five rural areas discussed as well as among Ontario First Nations. Surveying all rural child care centres and regulated home child care in Ontario and in eastern rural Alberta, demonstrates that — contrary to expectations — fees are not particularly low but usually in the mid-range compared to Canadian cities, and comparable to median fees in nearby cities. For example, preschool fees in central rural Ontario (\$911 a month) are not much different than those found in the nearby city of Hamilton (\$931 a month).

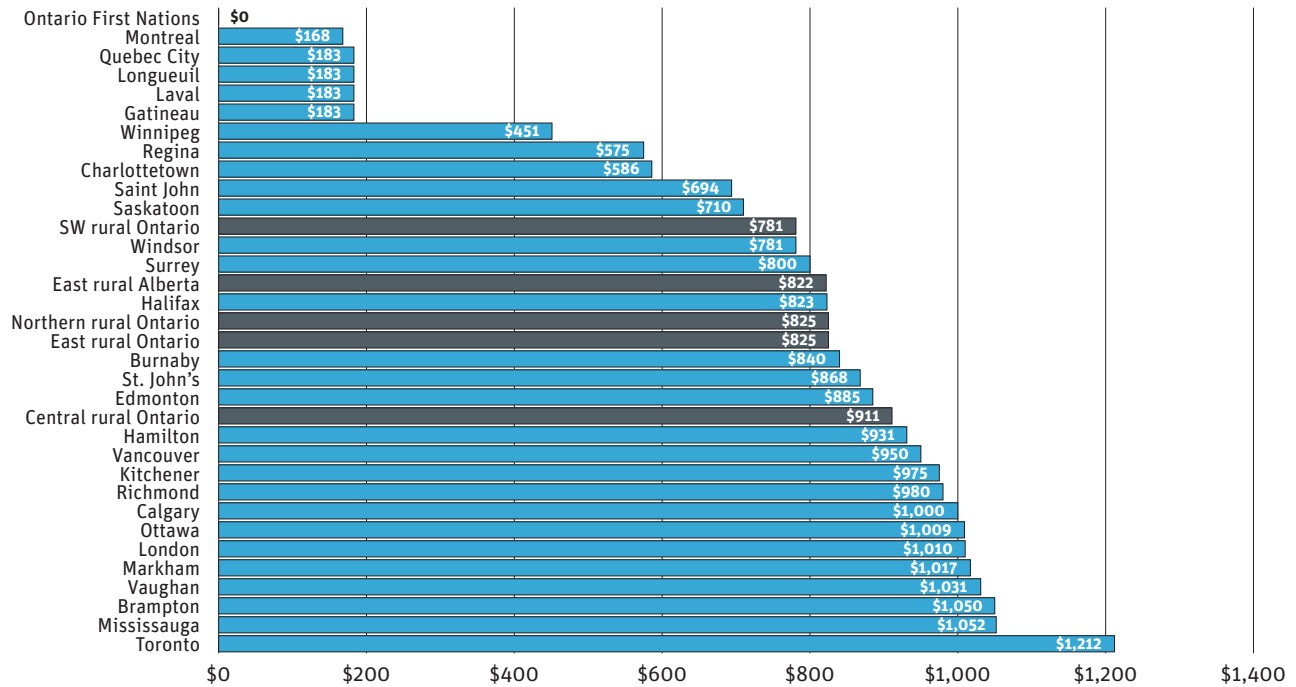
FIGURE 6 Rural areas surveyed by postal code



Source: Innovation, Science and Economic Development Canada

Among the five rural areas analyzed, preschool fees were highest in central rural Ontario at \$911 a month; next highest in eastern rural and northern Ontario, both at \$825 a month, followed by eastern rural Alberta at almost the same level (\$822 a month); and lowest in rural southwestern Ontario at \$781 a month (the same level as nearby Windsor (ON), which reported the lowest city parent fees for preschoolers in Ontario). In Alberta, by contrast, there was a bigger gap between median preschool fees in the

FIGURE 7 Median monthly fees for preschoolers 2017, (including rural areas)



Source See Appendix I for a breakdown of all fees. The “Ontario First Nations” category is exclusive as First Nations communities were excluded from the Ontario rural areas where they are located and grouped separately. *Figure 7* is identical to *Figure 3* but with rural areas and Ontario First Nations included for comparison.

rural area included (\$822 a month) and those of Edmonton (\$885 a month) and Calgary (\$1,000).

Child care in First Nations communities

First Nations–provided child care makes up a substantial portion of rural child care in Ontario, especially in northern Ontario. As they are funded differently, rural and First Nations community (on-reserve) child care, were separated out in the analysis.

On-reserve child care programs in Ontario represent a substantial sector with almost 1,700 spaces reported in this survey. They are required to follow provincial licensing requirements and are funded by the Ontario government through agreements with 77 First Nations and three transfer payment agencies. The provincial funding is primarily targeted towards fee subsidies, children with special needs and other non-operational items. In Alberta, child care in First Nations communities is not required to follow provincial

requirements, and centres are not provincially funded but may be eligible for federal government funding equivalent to parent child care subsidies.

In addition, child care in First Nations communities may be funded through two federal programs: the First Nations and Inuit Child Care Initiative (FNICCI) and Aboriginal Head Start On Reserve (AHSOR). These operational funds allow First Nations communities to set low fees or charge no fees.

In Ontario First Nations communities, median infant child care fees are \$217 a month, among the lowest infant fees in the country, while median fees for toddler and preschool care are \$0, a unique situation in Canada. In essence, First Nations communities may represent a fourth example – with Quebec, Manitoba and PEI – of operationally-funded child care that, with low fees or no fees, makes child care much more affordable for young families.

Wait lists for child care in Canada

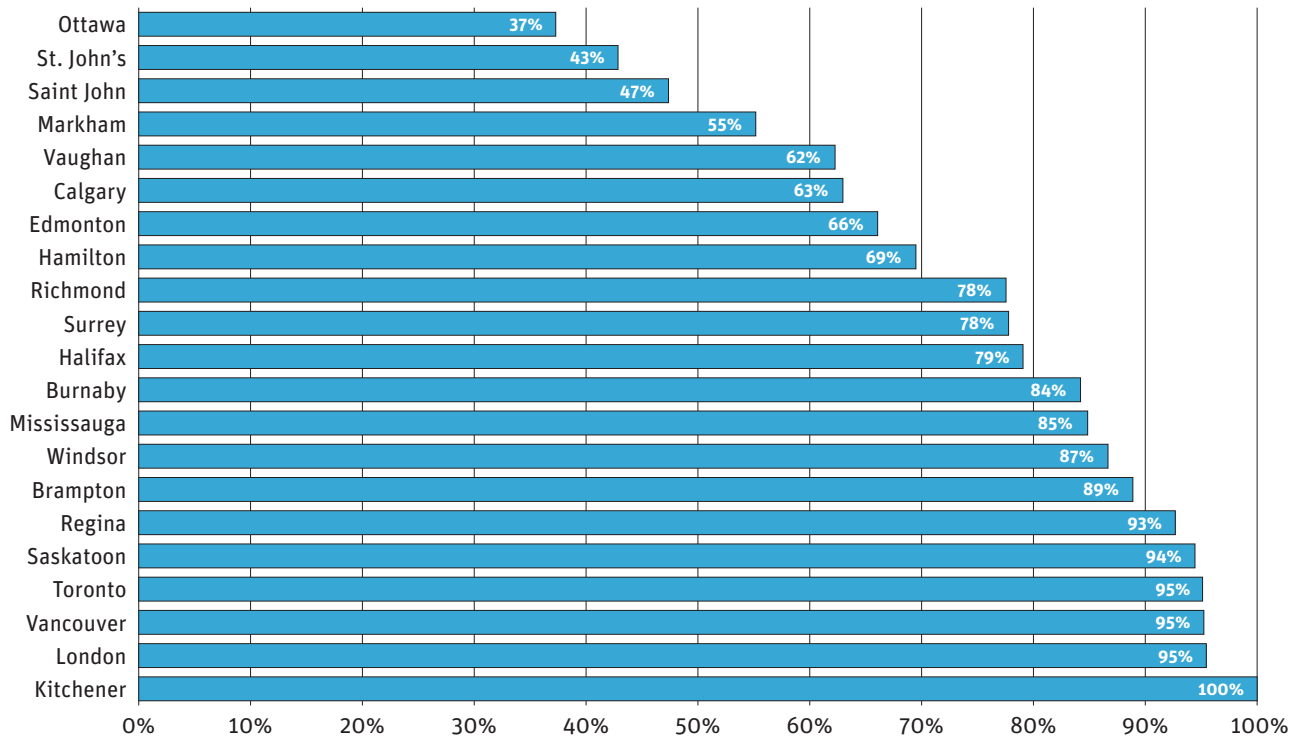
While fees are high in most Canadian cities, wait lists are also a common feature, as demand for child care outstrips availability in most instances, especially for infants and toddlers. Another factor that, while beyond the scope of this project, should be taken into account is the fact that parents may prefer some centres over others simply because they have a better reputation for quality, or a more attractive facility, or are in a more convenient location.

Calculating the length of child care waiting lists would likely yield unrepresentative results because parents often put children on waiting lists at several centres, thereby exaggerating the wait list length of any one centre. Also, some communities have developed centralized waiting lists. Thus, the approach taken here was merely to ask whether a centre maintains an internal waiting list (as a gauge of demand); the length of that waiting list was not recorded.

It is clear that waiting lists are the norm for centres in almost all Canadian cities. In St. John's (NL) and Saint John (NB), less than half the centres report maintaining a wait list. The City of Ottawa maintains a centralized waiting list or “registry” making it unnecessary for each centre to keep its own, although 37% of centres reported maintaining an internal waiting list. In last year's survey, 96% of centres in Ottawa had a waiting list, including those who were part of the centralized registry.¹⁸

In many of the large cities in Ontario, British Columbia and Saskatchewan, 80% or more of centres maintain a wait list. The one province that stands out is Alberta, where both Edmonton and Calgary (which have pri-

FIGURE 8 Centres maintaining an internal waiting list, 2017



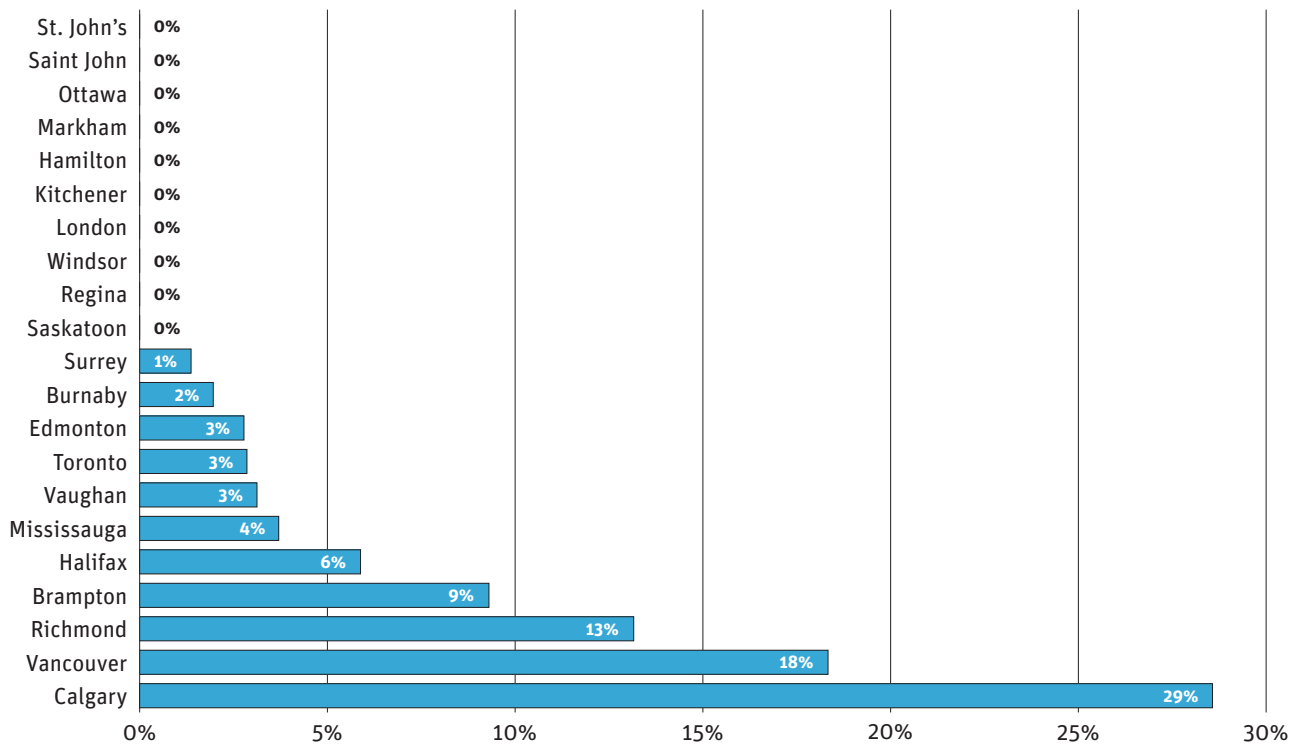
Source Ottawa maintains a central waiting list which is not included in its low figure above which only includes centre who maintain their own internal waiting lists.

marily for-profit full-day centres) have notably fewer centres maintaining a wait list, 66% and 63% respectively. In the case of Edmonton, this is up from the 49% of centres that maintained such a list in 2016.¹⁹

In Kitchener, 90% of centres maintained a wait list in 2016 compared to 100% this year. London, Vancouver and Saskatoon have similar proportions as the previous year. And in Toronto, 95% of centres reported having a waiting list in 2017 compared to 89% last year.

In addition, parents are sometimes asked to pay a fee to place their child on a centre's wait list. This practice was banned by the Ontario government in September 2016 (just after our 2016 survey was conducted) which, based on this year's survey results, has greatly reduced the number of Ontario centres charging a wait list fee, but hasn't entirely eliminated them. For example, in Brampton, 9% of centres charged a wait list fee in 2017 while the GTA cities of Toronto, Vaughan and Mississauga also have a small proportion of centres still charging wait list fees. It should be noted that wait list fees were most prevalent in the GTA prior to their prohibition last year.

FIGURE 9 Centres charging a wait list fee, 2017



Wait list fees are now most prevalent in Calgary, where 29% of centres report charging parents for putting them on the list. Vancouver, where this practice was much more prevalent last year, has seen a sharp decline in the use of fees, falling from 42% of centres in 2016 to only 18% in 2017.²⁰ A similar fall is evident in neighbouring Richmond compared to 2016, when 29% of centres charged a wait list fee. Interestingly, this decline experienced in British Columbia's cities does not have a basis in a policy change, as was the case in Ontario.

Conclusion

THREE CONCLUSIONS CAN be drawn from examining the data in this survey, as well as the data collected since 2014.

First, policy matters. Across Canada, child care fees are easily predicted based on whether the province funds licensed child care operationally, or whether fees and operational support are left to the market. The three provinces that set lower parent fees are able to do this because they fund services directly by providing base or operational funding. As a result, they have the lowest fees in every age category.

Quebec, which provides the most operational funding by far (to all non-profit and some for-profit child care) has the lowest fees by far. This remains the case even though set fees rose by a substantial percentage when the provincial government introduced geared-to-income fees in addition to the basic flat fees. Nevertheless, the 2017 survey continues to show what was evident in each of the three preceding surveys: across Canada, fees in cities with market-based child care fees are higher. By contrast, fees are lower in cities that set parent fees.

Second, conducting this survey on an annual basis addresses one of the many well-recognized “data gaps” that are part of the Canadian child care mosaic. It also underscores why a fuller approach to data and research in this area is so badly needed to address questions and issues that can only be hinted at here due to data limitations.

For example, what do the waiting list data collected say about parents’ search for a regulated space? What are the characteristics of families using

the regulated child care we surveyed – and who isn't included? What is the interplay between the provincial/territorial subsidy systems and the child care fees reported here? How are the workforce issues endemic to Canadian child care (such as low wages) linked to affordability? Given these questions, the federal government commitment to developing a “data strategy” and putting aside funds for this purpose in the 2017 federal budget is encouraging.

Third, the 2017 data support what parents, previous versions of this survey, and other research indicate: without doubt, child care fees in much of Canada are too expensive for many, if not most families – low- and middle-income alike. In 2017, affordable, high-quality early learning and child care continues to be a possibility only for a lucky few Canadian families. Further, where Canadians live is a determining factor in whether they will be able to access affordable child care services within a highly inequitable child care reality.

It is encouraging that “affordability” has now been formally identified as a principle that will shape child care policy across Canada. As several provinces are now beginning to explore how to put this in place, the next versions of this survey will be able to play a role in determining if and how the principle of child care “affordability” for families is being achieved.

Appendix I: Data Tables

TABLE 1 Detailed median full-time fees by city for centres and homes, 2017

City Name	Province	All Monthly Fee (median)			Centre Monthly Fee (median)			Home Monthly Fee (median)		
		Infant	Toddler	Preschool	Infant	Toddler	Preschool	Infant	Toddler	Preschool
Brampton	Ontario	\$955	\$1,128	\$1,050	\$1,454	\$1,135	\$1,050	\$955	\$792	\$792
Burnaby	British Columbia	\$1,250	\$1,200	\$840	\$1,250	\$1,242	\$840	\$1,025	\$1,000	\$800
Calgary	Alberta	\$1,250	\$1,050	\$1,000	\$1,380	\$1,185	\$1,030	\$880	\$845	\$720
Charlottetown	Prince Edward Island	\$738	\$608	\$586						
Edmonton	Alberta	\$990	\$891	\$885	\$1,036	\$935	\$890	\$810	\$760	\$810
Gatineau	Quebec	\$183	\$183	\$183						
Halifax	Nova Scotia	\$910	\$825	\$823	\$910	\$829	\$823	\$760	\$760	\$760
Hamilton	Ontario	\$1,062	\$1,052	\$931	\$1,367	\$1,107	\$971	\$1,062	\$977	\$882
Kitchener	Ontario	\$1,325	\$1,085	\$975	\$1,460	\$1,085	\$956	\$977	\$977	\$977
Laval	Quebec	\$183	\$183	\$183						
London	Ontario	\$1,217	\$1,120	\$1,010	\$1,225	\$1,134	\$1,010	\$933	\$933	\$868
Longueuil	Quebec	\$183	\$183	\$183						
Markham	Ontario	\$1,150	\$1,120	\$1,017	\$1,432	\$1,128	\$1,017	\$1,085	\$1,085	\$814
Mississauga	Ontario	\$1,452	\$1,200	\$1,052	\$1,506	\$1,220	\$1,052	\$911	\$911	\$651
Montreal	Quebec	\$168	\$168	\$168						
Ottawa	Ontario	\$998	\$1,109	\$1,009	\$1,623	\$1,259	\$1,030	\$928	\$928	\$928
Quebec City	Quebec	\$183	\$183	\$183						
Regina	Saskatchewan	\$875	\$635	\$575	\$875	\$635	\$570	\$755	\$650	\$600
Richmond	British Columbia	\$1,200	\$1,200	\$980	\$1,350	\$1,300	\$980	\$1,000	\$900	\$875
Saint John	New Brunswick	\$868	\$716	\$694	\$868	\$716	\$694	\$760	\$651	\$651
Saskatoon	Saskatchewan	\$900	\$790	\$710	\$945	\$790	\$710	\$863	\$762	\$700
St. John's	Newfoundland and Labrador	\$1,085	\$955	\$868	\$1,107	\$955	\$868	\$1,085	\$868	\$868
Surrey	British Columbia	\$1,050	\$920	\$800	\$1,100	\$1,000	\$810	\$850	\$822	\$800
Toronto	Ontario	\$1,758	\$1,354	\$1,212	\$1,904	\$1,471	\$1,215	\$1,020	\$864	\$864
Vancouver	British Columbia	\$1,360	\$1,292	\$950	\$1,360	\$1,347	\$950	\$1,300	\$1,200	\$1,000
Vaughan	Ontario	\$1,415	\$1,150	\$1,031	\$1,450	\$1,160	\$1,042	\$1,063	\$1,063	\$911
Windsor	Ontario	\$998	\$879	\$781	\$998	\$879	\$781	\$906	\$906	\$808
Winnipeg	Manitoba	\$651	\$451	\$451	\$651	\$451	\$451	\$482	\$395	\$395
East rural Ontario	Ontario	\$927	\$868	\$825	\$1,104	\$873	\$825	\$651	\$651	\$618
Central rural Ontario	Ontario	\$1,085	\$1,020	\$911	\$1,085	\$1,020	\$911	\$1,085	\$998	\$890
SW rural Ontario	Ontario	\$939	\$846	\$781	\$911	\$825	\$781	\$977	\$977	\$977
Northern rural Ontario	Ontario	\$868	\$825	\$825	\$911	\$868	\$825	\$868	\$781	\$781
East rural Alberta	Alberta	\$825	\$800	\$822	\$900	\$816	\$822	\$768	\$738	\$825
Ontario First Nations	Ontario	\$217	\$0	\$0	\$217	\$0	\$0	\$977	\$977	\$977

Table 2 examines the distribution of spaces in centres and homes for each city. For instance, in Brampton the survey found that 50% of home spaces are for infants and 27% are for toddlers. Similarly, in Brampton, 64% of centre spaces are for preschoolers but only 7% are for infants.

TABLE 2 Distribution of spaces in centres and licensed home care by city, 2017

City Name	Province	Center Space Distribution			Home Space Distribution		
		Infant	Toddler	Preschool	Infant	Toddler	Preschool
Brampton	Ontario	7%	29%	64%	50%	27%	23%
Burnaby	British Columbia	12%	31%	57%	13%	41%	46%
Calgary	Alberta	11%	23%	66%	22%	53%	25%
Edmonton	Alberta	11%	31%	57%	21%	52%	27%
Halifax	Nova Scotia	12%	32%	56%	25%	50%	25%
Hamilton	Ontario	6%	28%	66%	25%	34%	41%
Kitchener	Ontario	7%	29%	64%	25%	50%	25%
London	Ontario	11%	27%	62%	17%	52%	30%
Markham	Ontario	5%	24%	71%	25%	50%	25%
Mississauga	Ontario	5%	29%	66%	25%	50%	25%
Ottawa	Ontario	6%	27%	67%	26%	49%	25%
Regina	Saskatchewan	8%	27%	65%	18%	37%	45%
Richmond	British Columbia	6%	18%	76%	18%	39%	43%
Saint John	New Brunswick	16%	26%	57%	25%	50%	25%
Saskatoon	Saskatchewan	10%	24%	66%	15%	33%	52%
St. John`s	Newfoundland and Labrador	2%	28%	70%	40%	40%	20%
Surrey	British Columbia	12%	18%	70%	13%	33%	54%
Toronto	Ontario	9%	25%	66%	25%	49%	26%
Vancouver	British Columbia	8%	15%	77%	18%	36%	46%
Vaughan	Ontario	8%	26%	67%	24%	52%	24%
Windsor	Ontario	11%	27%	62%	25%	50%	25%
East rural Ontario	Ontario	8%	34%	58%	33%	46%	21%
Central rural Ontario	Ontario	12%	27%	61%	33%	33%	33%
SW rural Ontario	Ontario	10%	28%	62%	33%	50%	17%
Northern rural Ontario	Ontario	9%	30%	61%	36%	46%	18%
East rural Alberta	Alberta	11%	27%	62%	22%	39%	40%
Ontario First Nations	Ontario	11%	27%	61%	33%	50%	17%

Appendix II: Methodology

IN MOST CITIES, all centres and homes agencies (or individual homes in BC) were called. At least three calls were made to all centres or agencies. In some cases, more calls were made to push up response rates. Any sites that did not offer full-time care were excluded. Total response rates are included in *Table 3* below.

In some cities, random samples of either centres and/or homes were taken. Medians from those samples should be considered accurate to within +/- 10%, nine times out of 10. While in set-fee provinces (Quebec, Manitoba and PEI) private operators need not necessarily charge the set-fee (although they then forgo operational support), the median space is in the set fee system and as such, those cities are not surveyed, as the median is known.

The median calculated is for the median space, not the median centre or home agency. If one centre has more spaces, then its fee will have a larger impact on the median than a centre with fewer spaces. The aggregate median for a city includes the spaces in both centres and licensed homes combined. This can have an impact particularly on the median infant fee if a city has a large number of homes providing infant care, something that is less common among centres. The centre and home fees are separated out in *Table 1* above.

Daily fees were converted to monthly values by multiplying by 21.7.

In some provinces, the number of licensed spaces is rigidly set for each age group, as is the case for Ontario centres. However, in other settings the number of spaces per age group is not prescribed but instead can vary within a set of rules of maximum capacity, as is the case, for instance, with home child care in Ontario. Where licensed capacity is rigidly set, that is the number spaces for each age group used. In settings where there isn't a set licensed capacity by age group, the operational capacity on the day the survey is taken is the space count used for that age group. In the case of home care agencies where providers are not directly surveyed, the agency is asked to provide the typical distribution of spaces for the homes it organizes.

In some cases, two age groups may have the same fee. If that is the case, the fees are recorded as such.

TABLE 3 Survey methodology and coverage rates by city, 2017

City Name	Province	% of licensed spaces surveyed	Survey Methodology
Vancouver	British Columbia		A random sample of centre spaces and all home care providers were called
Richmond	British Columbia		A random sample of centre spaces and all home care providers were called
Burnaby	British Columbia	62%	All centers and home care providers were called
Surrey	British Columbia	61%	All centers and home care providers were called
Calgary	Alberta		A random sample of centre spaces and all home care agencies were called
Edmonton	Alberta		A random sample of centre spaces and all home care agencies were called
Saskatoon	Saskatchewan	71%	All centers and home care providers were called. The precise number of spaces is unknown, survey rate is the proportion of centres contacted.
Regina	Saskatchewan	61%	All centers and home care providers were called. The precise number of spaces is unknown, survey rate is the proportion of centres contacted.
Winnipeg	Manitoba		Fixed fees centres (<2 yrs:\$30/day, 2yrs -5 yrs:\$20.80/day)
Windsor	Ontario	65%	All centers and home care agencies were called
London	Ontario	78%	All centers and home care agencies were called
Kitchener	Ontario	75%	All centers and home care agencies were called
Hamilton	Ontario	75%	All centers and home care agencies were called
Brampton	Ontario	81%	All centers and home care agencies were called
Mississauga	Ontario		A random sample of centre spaces and all home care agencies were called
Vaughan	Ontario	60%	All centers and home care agencies were called
Toronto	Ontario		Centres were randomly sampled and all home care agencies called
Markham	Ontario	58%	All centers and home care agencies were called
Ottawa	Ontario		Centres were randomly sampled and all home care agencies called
Gatineau	Quebec		Fixed fees (\$7.75/day) + adjustment for income
Laval	Quebec		Fixed fees (\$7.75/day) + adjustment for income
Montreal	Quebec		Fixed fees (\$7.75/day) + adjustment for income
Longueuil	Quebec		Fixed fees (\$7.75/day) + adjustment for income
Quebec City	Quebec		Fixed fees (\$7.75/day) + adjustment for income
Saint John	New Brunswick	62%	All centers and home care agencies were called
Halifax	Nova Scotia	60%	All centers and home care agencies were called
Charlottetown	Prince Edward Island		Fixed fees (<2 yrs:\$34/day, 2yrs:\$28/day, 3yrs-4yrs:\$27/day)
St. John's	Newfoundland and Labrador	62%	All centers and home care agencies were called
East rural Ontario	Ontario	76%	All centers and home care agencies were called
Central rural Ontario	Ontario	72%	All centers and home care agencies were called
SW rural Ontario	Ontario	69%	All centers and home care agencies were called
Northern rural Ontario	Ontario	71%	All centers and home care agencies were called
East rural Alberta	Alberta	80%	All centers and home care agencies were called
Ontario First Nations	Ontario	60%	All centers and home care agencies were called

Notes

- 1** Child Care, Liberal Party of Canada 2016 Election Platform (<https://www.liberal.ca/realchange/child-care/>) (Accessed on November 23rd, 2017)
- 2** <https://www.canada.ca/en/employment-social-development/programs/early-learning-child-care/reports/2017-multilateral-framework.html>
- 3** Cleveland, Krashinsky, Colley and Avery-Nunez, “City of Toronto Licensed Child Care Demand and Affordability Study”, City of Toronto, October 2016 (<https://www1.toronto.ca/City%20Of%20Toronto/Children’s%20Services/Files/pdf/T/Toronto%20Demand%20&%20Affordability%20Study%202016.pdf> Accessed November 23rd, 2017).
- 4** Manitoba Child Care Association, “Poll Shows Huge Public Support for Child Care in Manitoba” October 25, 2016 (<http://mccahouse.org/mb-research-child-care-confirms-huge-support-copy/> Accessed November 23rd, 2017)
- 5** Macdonald and Friendly, “A Growing Concern: 2016 Child Care Fees in Canada’s Big Cities”, December 2016, Canadian Centre for Policy Alternatives.
- 6** David Macdonald and Martha Friendly, “The Parent Trap: Child Care Fees in Canada’s Big Cities”, November 2014, Canadian Centre for Policy Alternatives.
- 7** David Macdonald and Thea Klinger, “They Go Up So Fast: 2015 Child Care Fees in Canadian Cities”, December 2015, Canadian Centre for Policy Alternatives.
- 8** David Macdonald and Martha Friendly, “A Growing Concern: 2016 Child Care Fees in Canada’s Big Cities”, December 2016, Canadian Centre for Policy Alternatives.
- 9** This is in part because the difficulties of surveying what are largely unidentified private operations are beyond the scope of this project.
- 10** See Friendly, Grady, Macdonald, and Forer, 2014, “Early Childhood Education and Care in Canada 2014”, Childcare Resource and Research Unit, for definitions of age groups and staff to child ratios in each province/territory.

11 See the Quebec government fee calculator at <http://www.budget.finances.gouv.qc.ca/budget/outils/garde-net-en.asp>, The additional contribution is reduced by 50% for a 2nd child and there is none for 3rd and subsequent children.

12 Statistics Canada, Custom tabulation from Census 2016, adjusted for inflation using cansim 326-0021.

13 Ibid.

14 Note that Manitoba and Prince Edward Island both use a combination of operational funding (unit funding) and a fee subsidy to pay the fee on behalf of lower income families.

15 See Cansim 326-0020 All-Items CPI July 2016 to July 2017 the midpoints of when the child care surveys were conducted.

16 See Cansim 326-0020 All-Items CPI July 2014 to July 2017 the midpoints of when the child care surveys were conducted.

17 Regulated child care in Quebec falls under two systems: the first, which includes non-profit centres *de la petite enfance* and some for-profit *garderies*, is substantially operationally-funded and has set fees as described; the second (a newer, faster-growing sector) is made up of non-operationally-funded *garderies* that do not have set fees, for which parents receive a substantial rebate from the provincial government. It was not possible to separate these for this survey.

18 David Macdonald and Martha Friendly, "A Growing Concern: 2016 Child Care Fees in Canada's Big Cities", December 2016, Canadian Centre for Policy Alternatives, figure 6.

19 Ibid

20 David Macdonald and Martha Friendly, "A Growing Concern: 2016 Child Care Fees in Canada's Big Cities", December 2016, Canadian Centre for Policy Alternatives, figure 7.

