

# A Growing Concern

2016 child care fees in Canada's big cities

David Macdonald and Martha Friendly





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# Executive Summary

AS A NEW national framework on early learning and child care is being developed by federal/provincial/territorial governments/Indigenous communities, as a first step, the federal government has committed to a \$500 million investment in child care in the 2017 budget, with improving affordability a potential focus. There is much work to be done in this area, as parental child care fees vary dramatically across the country.

Infant fees are generally the most expensive; however, there are fewer infant spaces than there are spaces for any other age category. Toronto has the highest median infant fees at \$1,649 a month or \$19,788 a year, more than twice what Ontario university students pay in tuition fees. Markham and Vaughan, both suburbs of Toronto, have the next highest monthly fees at \$1,454 and \$1,363 respectively. The lowest infant fees are found in Montreal at \$164 a month and the rest of the cities in Quebec (Gatineau, Laval, Longueuil and Quebec City) at \$179 a month. Winnipeg is next cheapest at \$651 a month.

Quebec, Manitoba and PEI all have fees set by the province with base funding paid to service providers. Quebec does not have different fees for respective age categories, which means that infant fees in Quebec are significantly cheaper than what is charged in other provinces.

Toddlers are the second largest category of spaces, with fees generally somewhere between infants and preschoolers. One of the more striking discoveries of this survey is the extent to which child care fees are rising rapidly in most big cities. Toddler fees have been risen by 8% on average between

2014 and 2016 (while inflation over this same period was only 2.5%). Quebec City, Longueuil, Laval and Gatineau have seen the largest increase at 18% (or \$27 a month) since 2014, followed closely by Burnaby (\$180 a month) and Kitchener (\$178 a month).

Despite large increases in other cities, Toronto still has the highest toddler fees at \$1,375 a month. Vancouver is not far behind with toddler fees of \$1,325 and Richmond has median fees of \$1,210 a month. The least expensive cities were Montreal at \$164 a month, Quebec City, Longueuil, Laval and Gatineau at \$179 a month and Winnipeg at \$451 a month.

Preschool spaces are the most abundant age group by far, and generally have the lowest fees of the three age categories. As with toddlers, this report has uncovered a striking increase in preschool fees in most big cities. On average fees have risen 8% over the past two years (compared to a 2.5% inflation rate). The cities seeing the largest percentage increases are Gatineau, Laval, Longueuil and Quebec City where fees rose 18%. Toronto saw their fees rise 15% or \$152 a month since 2014, equivalent to six times the rate of inflation. Burnaby saw the third highest increase at 13% or \$95 a month.

Toronto has the highest preschool fees in the country at \$1,150 a month, meaning it has the highest fees in all three age categories. Seven cities (Kitchener, Calgary, Vaughan, Markham, Ottawa, Mississauga and London) are not far behind with monthly fees close to \$1,000 a month. At the other end of the spectrum is Montreal with fees of \$164 a month, the other cities in Quebec at \$179 a month, and Winnipeg at \$451 a month.

Wait lists are a common feature of centre-based care with almost all of the cities surveyed reporting that at least 70% of centres maintain a wait list. A wait list fee is also reasonably common with almost half of Vancouver centres, and a third of Richmond centres, charging one. Ontario banned the practice in September which will have a particular effect in Markham, Vaughan and Windsor where the practice was more common.

Though provinces often try to offset fees with subsidies for low income families, in many cities out-of-pocket fees remain high despite this aid. Saskatoon and Calgary have out-of-pocket fees of almost \$500 a month for a preschooler, likely a significant impediment to using child care despite subsidies. The lowest out-of-pocket fees of \$90 a month for a subsidy-eligible family are in Ontario.

Three things are clear from three years of surveying child care fees in Canada's big cities. First, fees vary significantly across the country; they are the lowest in provinces that set the fees provincially and they are highest in the cities where the market determines the price. Second, fees con-

tinue to rise rapidly, constraining the budgets of parents with young children. Third, low income parents are out-of-pocket for considerable sums in many of the cities surveyed (if they can afford to use regulated child care); this includes cities in provinces using both fee subsidy systems and those with set fees and base funding.

# Introduction

A LITTLE MORE than a year since a federal election was 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”<sup>1</sup>, high quality child care remains scarce and even more expensive than it was two years ago. On average, parent fees in Canada’s largest cities rose 9% in the two years between 2014 and 2016, almost four times the rate of inflation of 2.5%.

This survey, the third in a series beginning in 2014, shows that a young middle-income family with an infant and a three year old living in Toronto would be faced with a monthly bill of almost \$3,000 a month (or \$36,000 a year) for regulated child care *if* they were able to find a space. In fact, 89% of Toronto centres reported that they maintained waiting lists for spaces. Searching for child care last year, this family probably had to pay a fee just to put their name on a waiting list in some centres (this was reported to have been the practice in 17% of Toronto centres before the provincial government ban earlier this year). If this family were a low-income, subsidy-eligible family and had succeeded in rising to the top of Toronto’s waiting list of about 18,000 other eligible families, they might have benefitted from a fee subsidy — low-income subsidized Ontario families pay the lowest out-of-pocket fees in Canada. If the subsidy-eligible family lived in Saskatoon, their out-of-pocket fees could have been almost \$1,000 a month (or almost \$12,000 a year) after the subsidy.

Recent research from other sources confirms these findings. A Toronto economic modelling study found that  $\frac{3}{4}$  of families cannot afford regulated child care<sup>2</sup> while in a Manitoba survey, 75% of the 1,000 respondents said that “child care is too expensive in Manitoba”<sup>3</sup>

The data in this survey shows that policy matters. Across Canada, the level of child care fees is easily predicted based on whether the province sets parent fees and funds licensed child care directly, or whether fees and operational support are left to the market. The three provinces with set fees, which also fund services directly (by providing base funding), have the lowest fees in every age category. Across Canada, fees in more market-based child care cities tend to be higher.

Although negotiations between federal and provincial/territorial governments on a National Framework are ongoing, an initial financial infusion of \$500 million has been bookmarked for the 2017 federal budget year. Affordability has been identified as a likely principle that will have a role in shaping child care policy across Canada, as the evidence shows that affordable, high quality early learning and child care continues to be a possibility only for a lucky minority of Canadian families in 2016.



## 2016 survey details

THIS PAPER UPDATES and expands on the child care fee surveys completed in the previous two years in *The Parent Trap: Child care fees in Canada's big cities* (2014)<sup>4</sup> and *They Go Up So Fast: 2015 child care fees in Canadian cities* (2015)<sup>5</sup>. This year's survey included Richmond, British Columbia which was not previously included. As in the past, this year's survey includes all regulated spaces in both centres and home care. The 2016 survey was moved to a pure phone survey whereas in previous years it relied on administrative data in some cities. In most cities, every child care centre, home and/or home care agency was surveyed. In some larger cities, like Toronto, a random sample was taken. The methodologies utilized per city are available in Appendix 2. The phone survey was not conducted in the three provinces where fees are set by the province (Quebec, Manitoba and PEI) as city medians represent those set fees. Additional effort was expended this year to better survey licensed home care agencies and individual regulated homes as necessary to obtain reliable fee estimates for home care separately in all cities.

As examined in more detail elsewhere<sup>6</sup>, paid child care in Canada is broadly provided in two settings: home child care and centres. Centre care is always required to be regulated, meaning inspected and monitored by the province. On the other hand, child care provided in a private home can be regulated or not. Unregulated child care in a private home is not necessarily illegal, but it is also not inspected by the province despite provincial caps on the number of children per home. The extent of the unregulated home child care sector is poorly documented as there is no clear way to obtain in-

formation about it. This survey includes only regulated child care either in centres or in regulated home child care settings.

This survey exclusively examines full-time, full-day parental fees. Various other timeframes of child care may be available to parents for various fees; however, this report does not examine them. It does not include additional public funding that may be paid to child care services by provinces/territories. The costs of providing child care are also often also born by child care staff whose low wages provide an inherent subsidy to the system.

# The Results

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## Infant Full-Day Fees

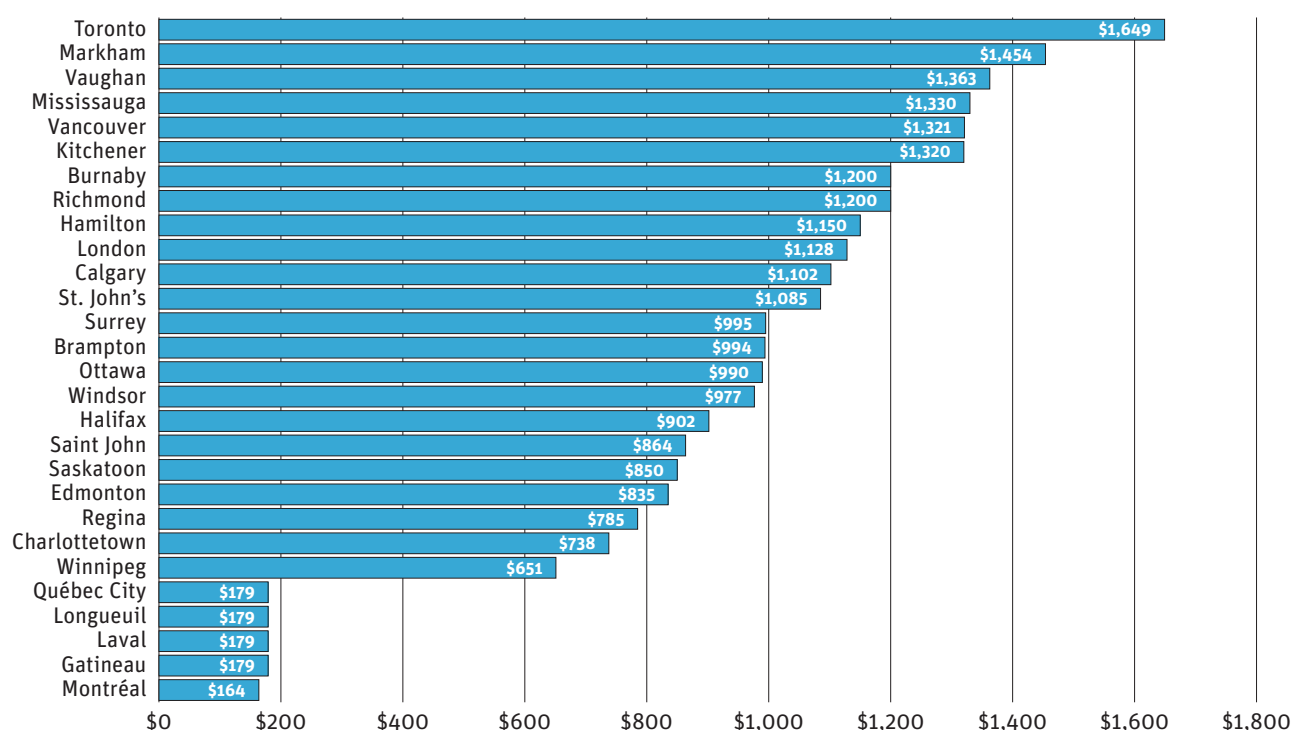
Infants are the youngest of the three age categories examined in this report. Although the exact age range differs by province, it is roughly children 1.5 years old and younger. This age group tends to have the least number of spaces available to it for two reasons. First, infants, especially those below 12 months, are more likely to still be in the full time care of a parent — usually the mother. Second, due to higher staff-to-child ratios, this age group has a higher delivery cost for providers, pricing parents out of the market and discouraging providers from developing infant spaces. As a result, infant spaces also tend to have the highest fees.

Licensed home child care generally caters more to infant care than do centres. Depending on the city, between 19% and 44% of all home child care spaces are occupied by infants. In most cities, the percentage of centre-based spaces devoted to infants is in the single digits (see *Table 2*).

As there are so few centre-based spaces for infants, licensed home child care fees, which tend to be lower in any event, can have a larger impact on the city median, pushing it down. This is particularly the case in cities with more home child care spaces relative to centre spaces, for example Brampton or Ottawa.

When it comes to infant fees, the highest monthly fees are in Toronto at an overall median of \$1,649 a month including both home and centre spaces. This amounts to \$19,788 for a year's worth of child care in Toron-

**FIGURE 1** Median infant fees (monthly, 2016)



**Note** See Appendix I for a breakdown of all fees. The fees for the cities in Quebec are calculated using the median income of families with young children in each city.

to. Centre fees are higher; a median of \$1,736 a month, compared to home child care fees at \$1,107 a month. This is double the cost of university tuition in Ontario, the most expensive province in the country, where undergraduate tuition fees and compulsory fees in 2016 are on average \$9,044 a year.

Markham, a Toronto suburb, has the second highest infant fees (\$1,454 a month or \$17,448 a year), with relatively few children in licensed home child care to pull down the median. The third highest infant fees in Canada are found in Vaughan, also a suburb of Toronto, with a median of \$1,363 a month.

The most affordable cities for infant child care are found in Quebec: Montreal, Gatineau, Laval, Longueuil and Quebec City. Montreal is the cheapest at \$164 a month as its families make less than other Quebec cities (and as a result pay less due the sliding scale of fees in that province). In each of the other Quebec cities, median infant child care fees are \$179 a month. Like PEI and Manitoba, Quebec sets parental fees provincially, funding regulated child care directly using a provincial formula that covers the bulk of operating costs. In Quebec, unlike most other places across Canada, there is no

differentiation of fees based on age, which makes the infant category particularly affordable compared to other Canadian cities.

Winnipeg, in Manitoba which also has set fees provincially but sets higher fees for infants, has the third lowest infant fees at \$651 a month.

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## Toddler full-day fees

Although the age ranges differ by province/territory, toddlers are generally aged 1.5 to three years old. While some provinces don't have a separate toddler fee category, fees were still surveyed for this age group. Sometimes an official age category may not exist but separate fees may still be charged. In some cases, fees were the same between toddler and preschool age categories. In any event, what centres and homes reported for a toddler space is what is reflected in this survey, irrespective of any official categories.

This age category tends to have more spaces than for infants, but fewer than for preschoolers. As well, parental fees tend to be lower compared to infants, but higher compared to preschool spaces. Generally, this is the largest concentration of children in home child care and the second highest concentration of spaces for centres (see *Table 2*)

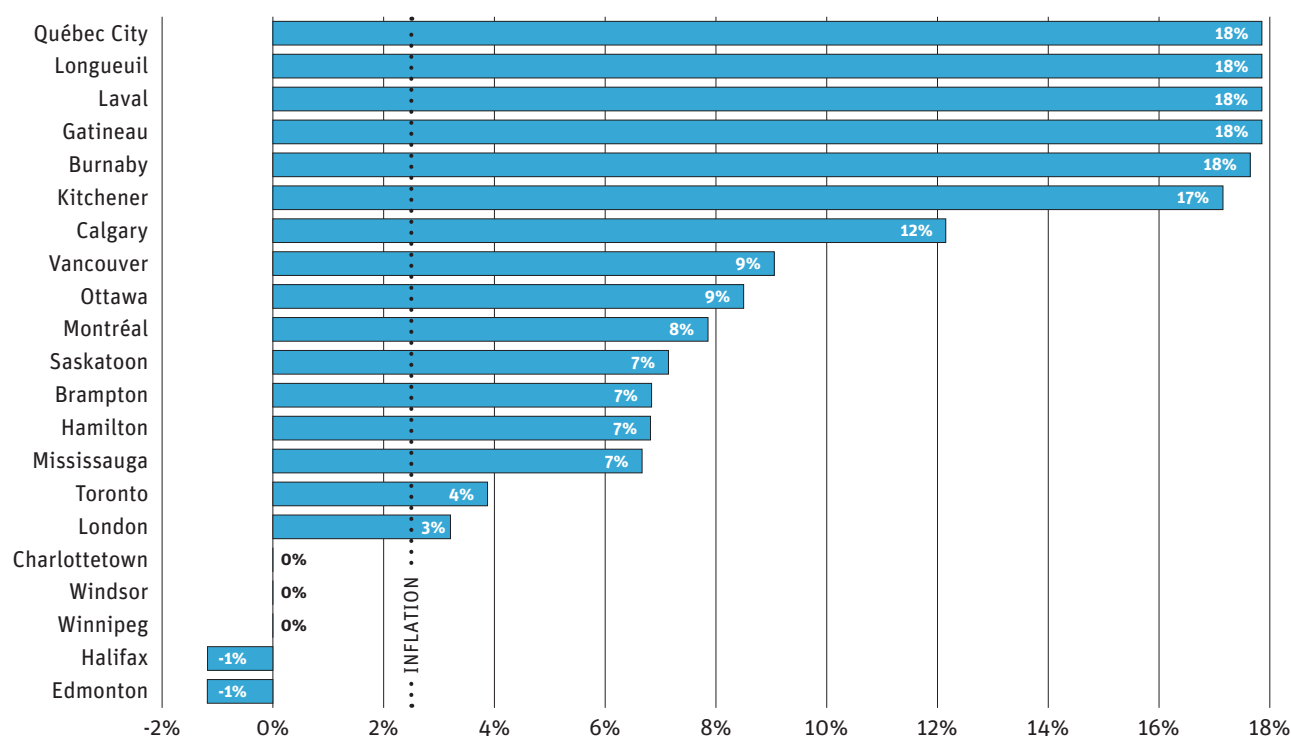
Because it is the third year in which this survey has been conducted, it is now possible to see how much fees are rising in cities with comparable data in both 2014 and 2016. Inflation rose by 2.5% between July 2014 and July 2016, the periods when the surveys were completed.<sup>7</sup> The cities with the largest percentage increase in toddler fees were in Quebec — Quebec City, Longueuil, Laval and Gatineau — which each experienced an 18% increase. In contrast to other cities, these increases were determined by the province.

Montreal is in the middle of the fee-raising pack as lower incomes for its parents have meant a smaller increase based on the sliding income scale. While the four Quebec cities surveyed saw the largest *percentage* increase, it represented a dollar increase of \$27 a month — low, compared to other cities.

Burnaby experienced the next largest percentage increase in toddler fees at just under 18%, but because its fees were much higher in 2014 this resulted in a much larger dollar increase at \$180 /month. Kitchener experienced a similar 17% increase, pushing toddler fees up by \$178 a month. Each of these cities saw fees rise *six times* faster than inflation.

Both Halifax and Edmonton saw 1% declines in their median toddler fees between 2014 and 2016. This resulted in monthly savings to parents of \$5 and \$10 respectively.

**FIGURE 2** Change in toddler fees between 2014 and 2016

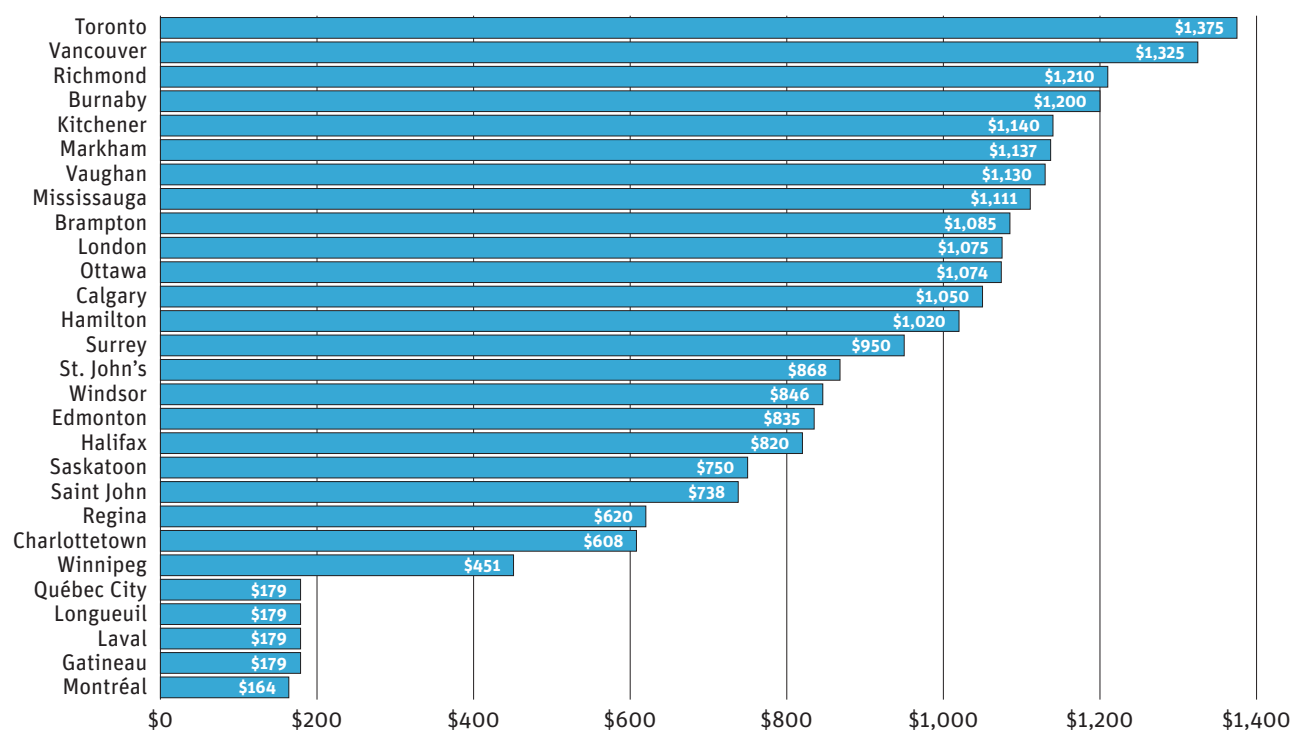


Canada-wide, the average increase in toddler fees since 2014 was 8% (\$53 a month) compared to inflation (2.5% over the same period). In other words, since 2014, toddler fees have risen nationally three times faster than inflation.

By city, toddler fees remain highest in Toronto at \$1,375 a month. This represents an increase of 4% over 2014 levels, almost twice the rate of inflation. Centre-based fees remain higher at \$1,400 a month, with licensed home child care fees for toddlers at \$1,107 a month. Vancouver is not far behind with monthly toddler fees of \$1,325, an increase of 9% since 2014 (more than three times the rate of inflation). Richmond, a suburb of Vancouver, ranks third highest for monthly toddler fees at \$1,210 a month.

The least expensive toddler spaces are found in the Quebec cities. Montreal has the lowest median parent fees at \$164 a month, followed by Quebec City, Longueuil, Laval and Gatineau with toddler fees of \$179 a month. These are by far the lowest in the country despite the 18% increase experienced since 2014. The next two cheapest cities for toddlers are Winnipeg and Charlottetown at \$451 and \$608 respectively. All of these cities with the

**FIGURE 3** Median toddler fees (monthly, 2016)



**Note** See Appendix I for a breakdown of all fees

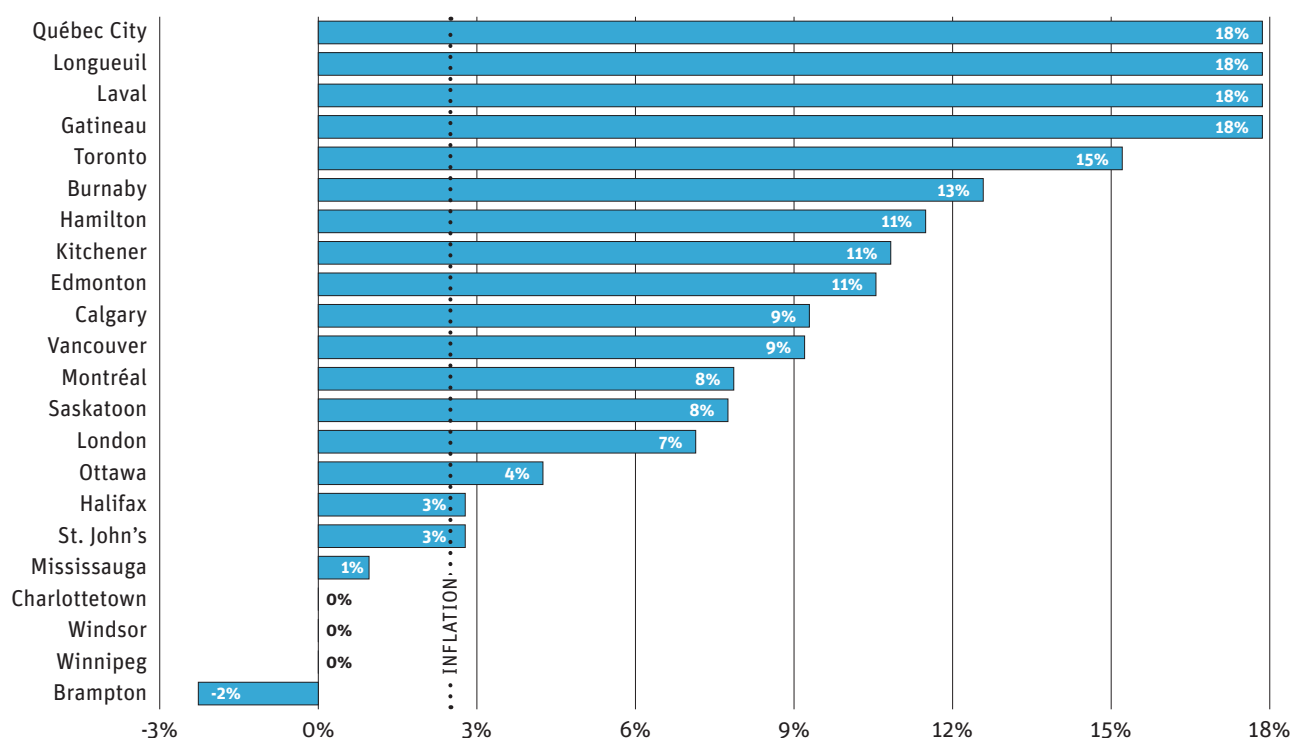
lowest toddler fees are located in provinces where the government sets fees and substantially funds services directly.

## Preschool full-day fees

Preschool age categories vary by province but are approximately from three years old to kindergarten- age or school-age (between four and six years). In some provinces and for some sites, toddlers and preschoolers do not have differentiated fees. Whatever the fees are for the various age groups, whether different or not, is reflected in the results below

Preschool is the largest category of child care spaces in every city. Centre care is dominant in this age group, generally comprising between 60 and 70 percent of all centre spaces. For home child care, generally less than half the spaces are occupied by preschool-age children, although this differs by city as shown in *Table 2*.

**FIGURE 4** Change in preschool fees between 2014 and 2016



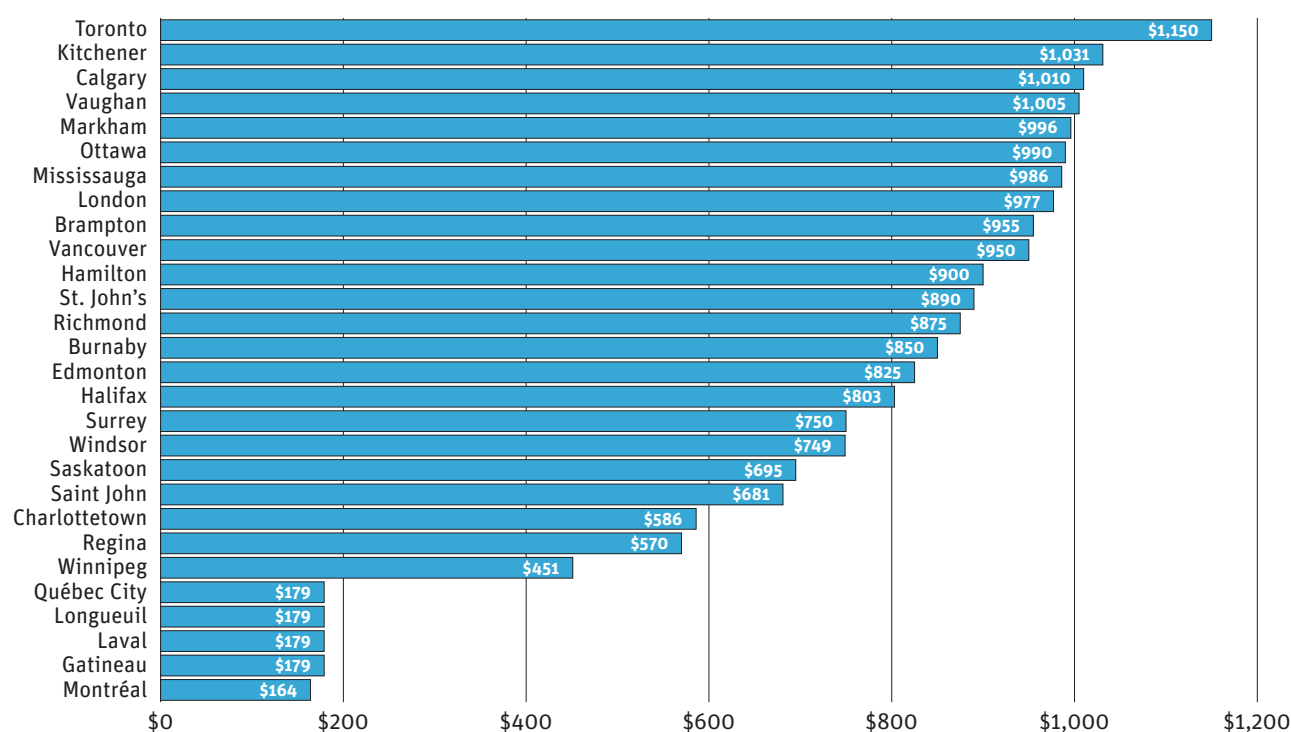
As with toddlers, parents in Quebec cities (excluding Montreal), have seen the largest percentage increase since 2014 at 18% due to changes in set fees which are up \$27 a month. Toronto had the next largest increase with fees rising 15% since 2014, or six times faster than inflation, an increase in dollar terms of \$152 a month in two years. Toronto's dollar increase was the highest of any city surveyed. Burnaby also experienced a significant 13% increase or \$95 a month since 2014.

Brampton was the only city to experience a slight *decrease* in preschool fees of -2% for a savings of -\$22 a month. It's worth mentioning that parents in Winnipeg and Charlottetown, both located in provinces with provincially set fees, have not experienced an increase since 2014 (set fees have remained unchanged). Windsor fees remained unchanged, though this was coincidental as the Ontario government doesn't set fees in the province.

The average Canada-wide increase in preschool fees since 2014 was 8% (\$45 a month) while inflation over the same period increased only 2.5%. In other words, since 2014 preschool fees have risen three times faster than inflation.



**FIGURE 5** Median preschool fees (monthly, 2016)



**Note** See Appendix I for a breakdown of all fees

Preschool fees in Toronto are the highest of all the cities surveyed at \$1,150 a month (also the median for centre spaces): home child care fees are lower at \$911 a month. This places Toronto in the dubious position of having the highest fees in all three age categories. Not only is it the most expensive city for preschool-age care, its preschool fees are among the fastest growing in the country.

The next seven cities (Kitchener, Calgary, Vaughan, Markham, Ottawa, Mississauga and London) are tightly clustered close to (within \$30) of \$1,000 a month for a preschool space. At the other end of the spectrum is Montreal at \$164 a month and the Quebec cities which charge \$179 a month. Again, Montreal is slightly cheaper as it has a lower proportion of the higher income families who pay more on Quebec's sliding fee scale. Winnipeg, with set fees, is next with parents paying \$451 a month. Regina has median preschool-age fees of \$570 a month — slightly cheaper than Charlottetown where fees are set by the province.

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## Wait lists in centre-based care

As part of the 2016 survey, data on wait lists was collected in all cities where fees are not set provincially (i.e. Quebec, Manitoba and PEI). This isn't to say that wait lists aren't maintained in cities in those provinces with set fees, merely that they weren't collected as part of this survey. A centre can either maintain its own wait list or be part of a centralized wait list, as is the case in some cities such as Ottawa. Additionally, some centres may not maintain a wait list, even if all spaces are full. Thus, having a wait list (or not) may not indicate that centres are "full" per se.

The 2016 survey reveals that in almost all the cities surveyed, at least 70% of centres reported maintaining a wait list of some kind. Only Calgary, Edmonton and Surrey have relatively fewer centres reporting maintaining a wait list.

In addition to maintaining a wait list, centres sometimes charge parents for a spot on that list. If parents wish to have their children on multiple wait lists (as they are often advised to do to improve their chances of finding an available space), this can increase their costs even before they obtain a space. Further, simply being on the waitlist is not a guarantee of obtaining a spot, even if a fee is paid.

The wait list fee gained prominence last summer when Ontario banned the practice following a petition presented in the provincial legislature.<sup>8</sup> Our survey was conducted in Ontario prior to this action and so it is possible to determine in which cities this change will have the biggest impact. Prior to the September ban, 41% of centres in Markham reported charging a wait list fee, while one quarter of centres in Vaughan and Windsor reported wait list fees. However, in London, Ottawa, Brampton, Kitchener and Hamilton, the practice seems to have been much less common.

Outside Ontario, the practice of charging parents to be on a wait list remains. Vancouver has the highest percentage with 47% of centers reporting charging a wait list fee. In Richmond and St. John's, approximately one third of centres report charging such a fee.

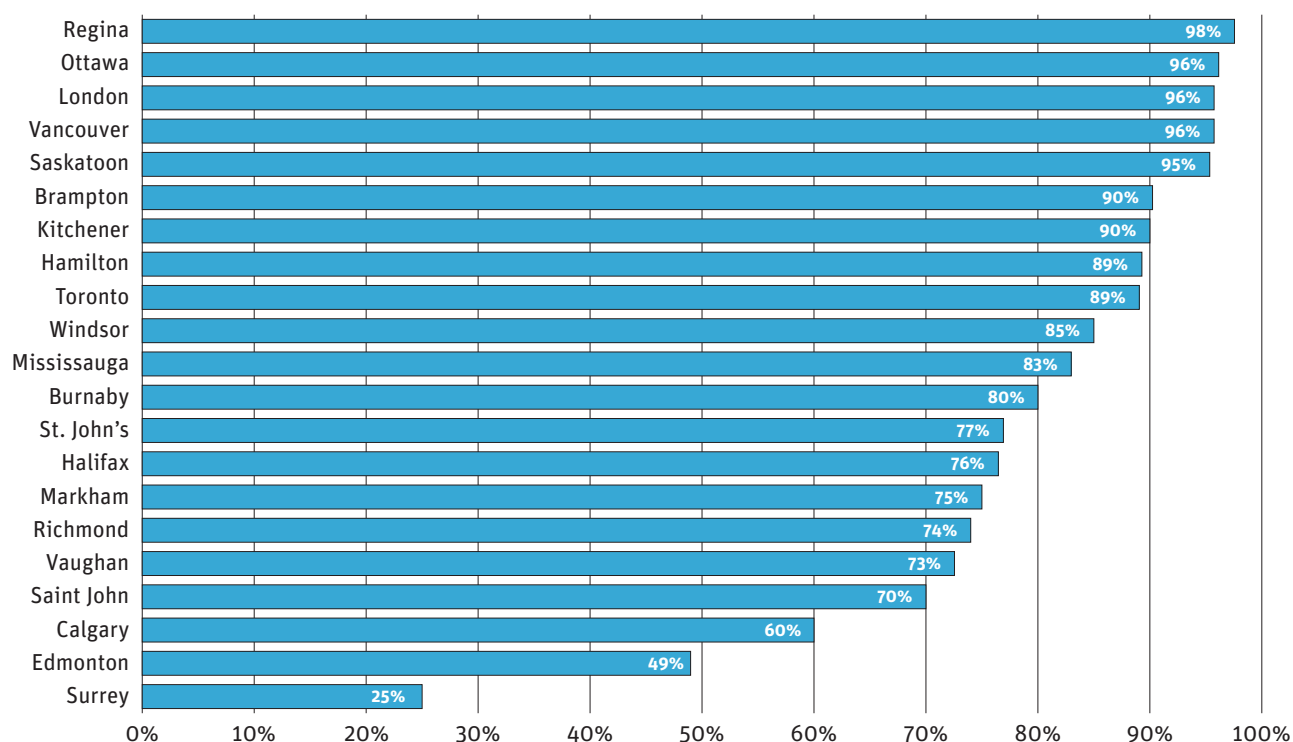
On the other hand, this practice was not reported as existing at all in Regina or Saskatoon.

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## Child care fee subsidies

Given the high child care fees in most of Canada's big cities, lower-income families can find it very hard to pay for child care that would allow them

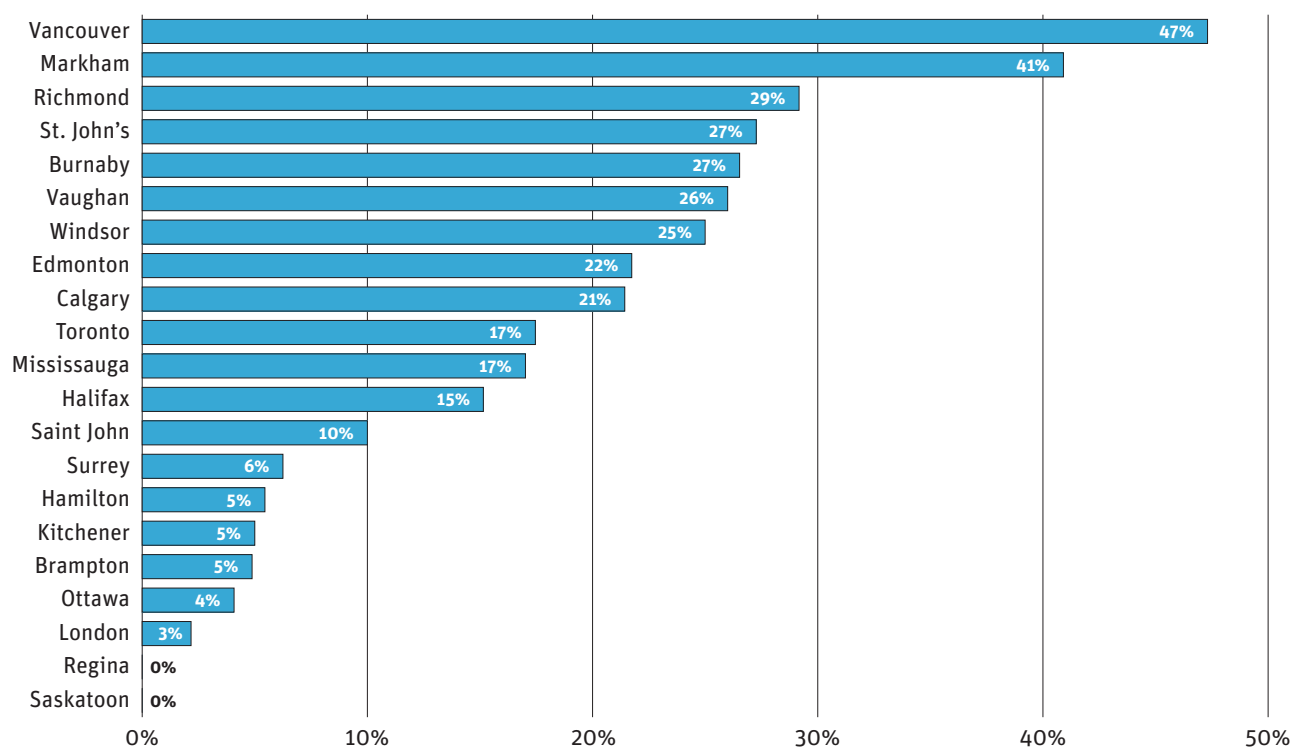
**FIGURE 6** Percentage of centres reporting maintenance of wait lists (2016)



to work or study. All provinces/territories, with the exception of Quebec which does not use an individual family fee subsidy system, provide child care subsidies that cover all or part of the fee. In almost all cases (with the exception of Ontario which bases its subsidy eligibility on the cost of child care, family income and workforce or education participation), the amount of fee subsidy paid on behalf of a low income family to a child care service is related to: their income, the number of parents, the number of children in care, workforce or education participation and other factors. As a result, the after-subsidy amount a low income families must pay out-of-pocket may vary considerably based on family characteristics.

Subsidy schemes are created provincially, and some are fairly complex (for the full details by province see Appendix C of the 2015 report<sup>9</sup>). However, they come in two broad forms. Ontario determines the amount that low/modest income parents pay on a sliding scale, with the province paying as much as the full market price. In other provinces — British Columbia, for example — the fee subsidy represents a set amount paid by the province

**FIGURE 7** Proportion of centres reporting charging a wait list fee (2016)

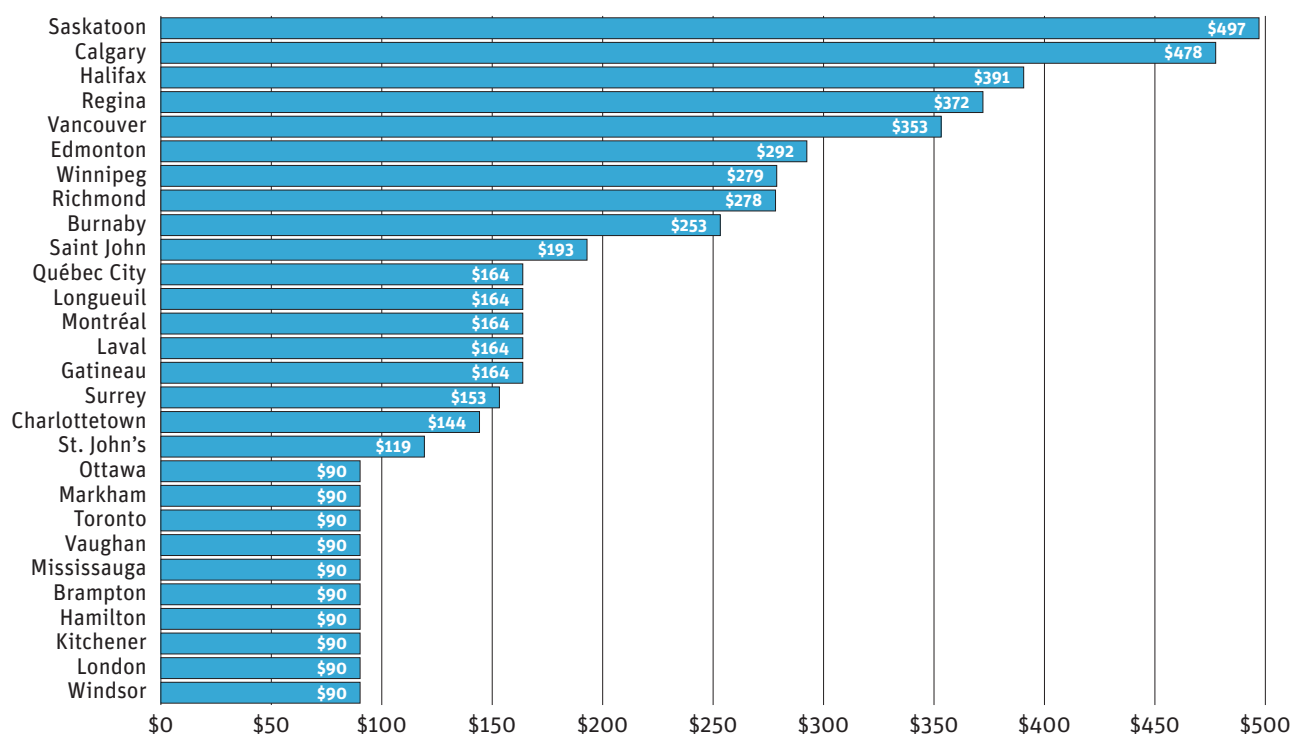


to the service. As fees in most provinces are not set and tend to rise year over year, the parents must cover those changes. Generally, provinces' subsidy rates have not been increased on a regular basis to keep up with rising fee inflation.

*Figure 8* examines the out-of-pocket costs paid by a “sample” low-income family that earns \$30,823, which is the average amount that families with young children living below the poverty line (LIM-AT) earn in Canada. This sample family has two parents and two children. One child is in school and requires no additional child care, while the other is preschool-age in a full-day program.

Quebec does not have low-income subsidies per se. Instead they have set fees for all, which also apply to low income families. Those fees rise once family incomes are higher than \$52,000; otherwise, they stay at their base of \$7.55 a day for low- and modest-income families. Therefore, the Quebec fees in *Figure 8* are technically “unsubsidized” as they are simply the base set fees in that province.

**FIGURE 8** Out-of-pocket costs for sample low income family (monthly, 2016)



**Note** Values are specific to the out-of-pocket costs for a family making \$30,823 with two parents and two children. The youngest child is in full-day preschool care while the eldest child is in school and doesn't require child care.

With the sample family above, Saskatoon would be the most expensive city for a subsidy-eligible parent. Even after the fee subsidy is applied, the sample family would pay \$497 a month. With additional user fees so high, it's unlikely that this family could even utilize licensed child care. Calgary is not much better, with the sample family paying \$478 a month for their preschooler *after* receiving a fee subsidy. Halifax is the third most expensive city for our sample family, with a preschool-age space costing that family \$391 a month post-subsidy.

The most affordable cities for the sample family are all the cities in Ontario where that family would pay \$90 a month post-subsidy. In contrast to the other provinces, qualifying low income families pay an amount determined by the provincial income test that takes into account the actual market fee of their space. St. John's is not far behind, where a preschool space would cost the sample family \$119 a month above the fee subsidy. The Quebec cities, with their set fees and no fee subsidies, sit in the middle of the out-of-pocket range for the sample family.

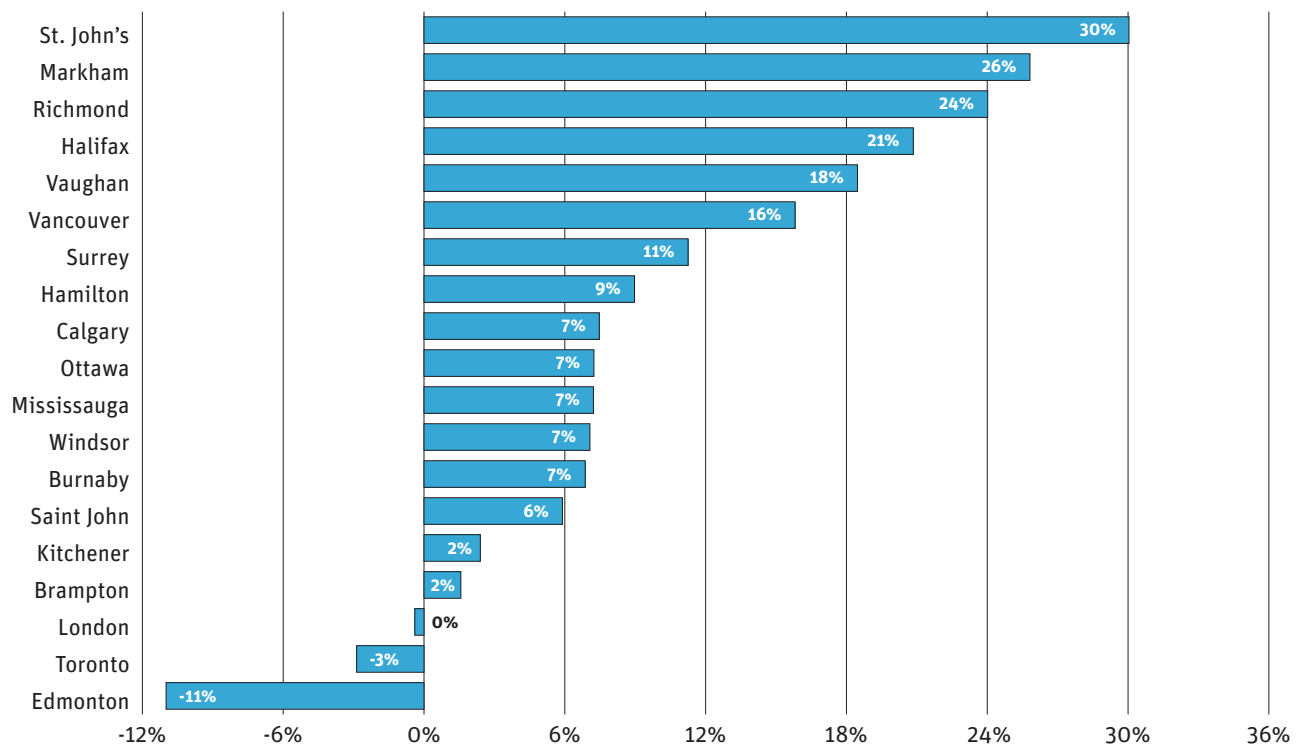
As the sample family composition changes, the order in *Figure 8* may also change. For instance, the monthly subsidized fee in Ontario does not change based on the number of children, but rather with the total cost of child care. It is also noteworthy, however, that in Ontario, there are waiting lists of eligible families who cannot secure a fee subsidy even if they have been able to secure a licensed space (and vice versa).

Suffice it to say that *Figure 8* simplifies a very complex system of subsidies that are not fully examined here.

## For-profit premium on preschool centre fees

Most licensed centres in Canada operate either as not-for-profit operations or as for-profit enterprises, with a very small publicly-operated sector. The 2016 survey recorded whether a centre reported being a not-for-profit or a for-profit operation. *Figure 9* summarizes how much more or less for-profit

**FIGURE 9** Average for-profit premium for preschool fees in centre (2016)



**Source** See Appendix I for a breakdown of all fees

centres charged on average, compared to not-for-profit centres for preschool fees. As with the rest of the survey, this additional data was not collected for centres in provinces with set fees: Manitoba, PEI and Quebec.

In St. John's, Newfoundland, for-profit centres charged 30% more on average than non-profit centres for a preschool space. Seven of the 18 cities surveyed had for profit centres' fees at least 10% more than non-profit centres in the same city. The next seven cities had a for-profit premium between 6% to 9% for preschool spaces. In the next four cities represented, for-profit and non-profit preschool spaces had fees that were roughly the same; this includes Toronto, where for-profit preschool fees are slightly less than in non-profit centres. The outlier is Edmonton where for-profit preschool spaces are 11% less than those in non-profits.

It should be noted that although for-profit centres generally are more expensive for parents in most cities, the amounts can vary substantially.

# Conclusion

AS OUR 2014 fee survey noted, policy matters. As a result, the level of child care fees is easily predicted based on whether the fees are set by the province or left to the market. All three provinces with set fees (PEI, QC, MB) also fund services directly (base funding); the proportion of the full operational costs that are publicly funded varies amongst these three provinces. Almost universally, set provincial fees make up the lowest fees in every age category. As set fees jump up, they can result in significant increases across all cities in a province. Although this may make fees and any resultant increases more predictable and deliberate, it has resulted in the largest proportionate fee increase in Quebec, up 18% since 2014. However, fee increases in market-based cities are, commonly, several times greater than inflation, leading to ever-higher amounts for parents.

Wait lists remain a common feature across most cities, and wait list fees are still common, particularly in British Columbia, although their banning in Ontario will save parents money particularly in the GTA area.

Finally, examining fee subsidies and their relationship to affordability across Canadian cities demonstrates that the parents for whom they are intended (low- and sometimes modest-income families) are being asked to pay hefty fees for child care even *after* qualifying for subsidies. The average out-of-pocket fees these parents must pay may be as much as \$300 to \$500 a month for one child — a substantial cost for a low-income family. As well, it is noteworthy that the out-of-pocket fees for Ontario families who are able to secure a subsidy result in lower fees than those paid by comparable families in Quebec, with its set fee.



# Appendix 1: Detailed Numbers

**TABLE 1** Median fees by centre and home care (2016)

| City Name     | Province                  | All Monthly Fee (median) |          |           | Centre Monthly Fee (median) |          |           | Home Monthly Fee (median) |          |           |
|---------------|---------------------------|--------------------------|----------|-----------|-----------------------------|----------|-----------|---------------------------|----------|-----------|
|               |                           | Infant                   | Toddler  | Preschool | Infant                      | Toddler  | Preschool | Infant                    | Toddler  | Preschool |
| Vancouver     | British Columbia          | \$ 1,321                 | \$ 1,325 | \$ 950    | \$ 1,325                    | \$ 1,325 | \$ 950    | \$ 1,100                  | \$ 1,080 | \$ 1,000  |
| Richmond      | British Columbia          | \$ 1,200                 | \$ 1,210 | \$ 875    | \$ 1,235                    | \$ 1,294 | \$ 875    | \$ 900                    | \$ 859   | \$ 800    |
| Burnaby       | British Columbia          | \$ 1,200                 | \$ 1,200 | \$ 850    | \$ 1,250                    | \$ 1,240 | \$ 855    | \$ 950                    | \$ 925   | \$ 850    |
| Surrey        | British Columbia          | \$ 995                   | \$ 950   | \$ 750    | \$ 1,200                    | \$ 1,200 | \$ 737    | \$ 814                    | \$ 800   | \$ 760    |
| Calgary       | Alberta                   | \$ 1,102                 | \$ 1,050 | \$ 1,010  | \$ 1,260                    | \$ 1,150 | \$ 1,040  | \$ 850                    | \$ 850   | \$ 850    |
| Edmonton      | Alberta                   | \$ 835                   | \$ 835   | \$ 825    | \$ 985                      | \$ 865   | \$ 825    | \$ 790                    | \$ 790   | \$ 790    |
| Saskatoon     | Saskatchewan              | \$ 850                   | \$ 750   | \$ 695    | \$ 855                      | \$ 745   | \$ 695    | \$ 800                    | \$ 750   | \$ 675    |
| Regina        | Saskatchewan              | \$ 785                   | \$ 620   | \$ 570    | \$ 800                      | \$ 615   | \$ 565    | \$ 700                    | \$ 650   | \$ 595    |
| Winnipeg      | Manitoba                  | \$ 651                   | \$ 451   | \$ 451    | \$ 651                      | \$ 451   | \$ 451    | \$ 482                    | \$ 395   | \$ 395    |
| Windsor       | Ontario                   | \$ 977                   | \$ 846   | \$ 749    | \$ 977                      | \$ 846   | \$ 749    | \$ 868                    | \$ 868   | \$ 738    |
| London        | Ontario                   | \$ 1,128                 | \$ 1,075 | \$ 977    | \$ 1,150                    | \$ 1,085 | \$ 987    | \$ 933                    | \$ 933   | \$ 868    |
| Kitchener     | Ontario                   | \$ 1,320                 | \$ 1,140 | \$ 1,031  | \$ 1,365                    | \$ 1,215 | \$ 1,031  | \$ 1,085                  | \$ 1,085 | \$ 651    |
| Hamilton      | Ontario                   | \$ 1,150                 | \$ 1,020 | \$ 900    | \$ 1,302                    | \$ 1,063 | \$ 900    | \$ 856                    | \$ 856   | \$ 856    |
| Brampton      | Ontario                   | \$ 994                   | \$ 1,085 | \$ 955    | \$ 1,389                    | \$ 1,100 | \$ 986    | \$ 994                    | \$ 994   | \$ 792    |
| Mississauga   | Ontario                   | \$ 1,330                 | \$ 1,111 | \$ 986    | \$ 1,384                    | \$ 1,164 | \$ 995    | \$ 911                    | \$ 911   | \$ 651    |
| Vaughan       | Ontario                   | \$ 1,363                 | \$ 1,130 | \$ 1,005  | \$ 1,367                    | \$ 1,135 | \$ 1,005  | \$ 1,042                  | \$ 1,042 | \$ 911    |
| Toronto       | Ontario                   | \$ 1,649                 | \$ 1,375 | \$ 1,150  | \$ 1,736                    | \$ 1,400 | \$ 1,150  | \$ 1,107                  | \$ 1,107 | \$ 911    |
| Markham       | Ontario                   | \$ 1,454                 | \$ 1,137 | \$ 996    | \$ 1,454                    | \$ 1,137 | \$ 996    | \$ 738                    | \$ 738   | \$ 738    |
| Ottawa        | Ontario                   | \$ 990                   | \$ 1,074 | \$ 990    | \$ 1,600                    | \$ 1,250 | \$ 1,049  | \$ 977                    | \$ 977   | \$ 977    |
| Gatineau      | Quebec                    | \$ 179                   | \$ 179   | \$ 179    |                             |          |           |                           |          |           |
| Laval         | Quebec                    | \$ 179                   | \$ 179   | \$ 179    |                             |          |           |                           |          |           |
| Montréal      | Quebec                    | \$ 164                   | \$ 164   | \$ 164    |                             |          |           |                           |          |           |
| Longueuil     | Quebec                    | \$ 179                   | \$ 179   | \$ 179    |                             |          |           |                           |          |           |
| Québec City   | Quebec                    | \$ 179                   | \$ 179   | \$ 179    |                             |          |           |                           |          |           |
| Saint John    | New Brunswick             | \$ 864                   | \$ 738   | \$ 681    | \$ 864                      | \$ 738   | \$ 690    | \$ 846                    | \$ 687   | \$ 651    |
| Halifax       | Nova Scotia               | \$ 902                   | \$ 820   | \$ 803    | \$ 902                      | \$ 820   | \$ 803    | \$ 902                    | \$ 820   | \$ 803    |
| Charlottetown | Prince Edward Island      | \$ 738                   | \$ 608   | \$ 586    |                             |          |           |                           |          |           |
| St. John's    | Newfoundland and Labrador | \$ 1,085                 | \$ 868   | \$ 890    | \$ 1,400                    | \$ 977   | \$ 911    | \$ 1,085                  | \$ 868   | \$ 868    |

**Note** The fees for the cities in Quebec are calculated using the median income of families with young children in each city.

**TABLE 2** Distribution of spaces across age categories by city

| City Name   | Center Space Distribution |         |           | Home Space Distribution |         |           |
|-------------|---------------------------|---------|-----------|-------------------------|---------|-----------|
|             | Infant                    | Toddler | Preschool | Infant                  | Toddler | Preschool |
| Vancouver   | 9%                        | 21%     | 70%       | 23%                     | 34%     | 43%       |
| Richmond    | 12%                       | 19%     | 69%       | 26%                     | 30%     | 44%       |
| Burnaby     | 13%                       | 19%     | 68%       | 23%                     | 38%     | 39%       |
| Surrey      | 16%                       | 14%     | 70%       | 23%                     | 31%     | 46%       |
| Calgary     | 16%                       | 34%     | 50%       | 25%                     | 49%     | 25%       |
| Edmonton    | 16%                       | 32%     | 51%       | 29%                     | 45%     | 26%       |
| Saskatoon   | 9%                        | 26%     | 65%       | 19%                     | 23%     | 58%       |
| Regina      | 9%                        | 28%     | 63%       | 19%                     | 23%     | 58%       |
| Winnipeg    |                           |         |           |                         |         |           |
| Windsor     | 11%                       | 27%     | 62%       | 33%                     | 33%     | 33%       |
| London      | 12%                       | 28%     | 61%       | 28%                     | 48%     | 24%       |
| Kitchener   | 5%                        | 29%     | 66%       | 25%                     | 50%     | 25%       |
| Hamilton    | 5%                        | 28%     | 66%       | 24%                     | 38%     | 38%       |
| Brampton    | 6%                        | 29%     | 65%       | 41%                     | 37%     | 22%       |
| Mississauga | 8%                        | 29%     | 63%       | 25%                     | 50%     | 25%       |
| Vaughan     | 6%                        | 24%     | 70%       | 44%                     | 50%     | 6%        |
| Toronto     | 9%                        | 25%     | 67%       | 31%                     | 44%     | 25%       |
| Markham     | 5%                        | 25%     | 70%       | 27%                     | 45%     | 27%       |
| Ottawa      | 7%                        | 27%     | 66%       | 27%                     | 48%     | 25%       |
| Saint John  | 15%                       | 40%     | 45%       | 25%                     | 44%     | 31%       |
| Halifax     | 9%                        | 34%     | 57%       | 33%                     | 33%     | 33%       |
| St. John's  | 3%                        | 25%     | 72%       | 30%                     | 40%     | 30%       |

**TABLE 3** Survey methodology and coverage rate by city

| City Name     | Province                  | % of Licensed Spaces Surveyed | Survey Methodology  |
|---------------|---------------------------|-------------------------------|---|
| Vancouver     | British Columbia          | 73%                           | All centres and home care providers were called                       |
| Richmond      | British Columbia          | 58%                           | All centres and home care providers were called                       |
| Burnaby       | British Columbia          | 68%                           | All centres and home care providers were called                       |
| Surrey        | British Columbia          | 18%                           | A random sampling of both centres and home spaces were called         |
| Calgary       | Alberta                   | 69%                           | A random sampling of centre spaces all home care agencies were called |
| Edmonton      | Alberta                   | 78%                           | A random sampling of centre spaces all home care agencies were called |
| Saskatoon     | Saskatchewan              | 100%                          | All centres and home care providers were called                       |
| Regina        | Saskatchewan              | 100%                          | All centres and home care providers were called                       |
| Winnipeg      | Manitoba                  |                               | Fixed fees (<2 yrs:\$28/day, 2yrs -5 yrs:\$18.80/day)                 |
| Windsor       | Ontario                   | 63%                           | All centres and home care agencies were called                        |
| London        | Ontario                   | 76%                           | All centres and home care agencies were called                        |
| Kitchener     | Ontario                   | 75%                           | All centres and home care agencies were called                        |
| Hamilton      | Ontario                   | 70%                           | All centres and home care agencies were called                        |
| Brampton      | Ontario                   | 69%                           | All centres and home care agencies were called                        |
| Mississauga   | Ontario                   | 61%                           | Centres were randomly sampled and all home care agencies called       |
| Vaughan       | Ontario                   | 50%                           | Centres were randomly sampled and all home care agencies called       |
| Toronto       | Ontario                   | 13%                           | Centres were randomly sampled and all home care agencies called       |
| Markham       | Ontario                   | 51%                           | All centres and home care agencies were called                        |
| Ottawa        | Ontario                   | 69%                           | Centres were randomly sampled and all home care agencies called       |
| Gatineau      | Quebec                    |                               | Fixed fees (\$7.55/day) + adjustment for income                       |
| Laval         | Quebec                    |                               | Fixed fees (\$7.55/day) + adjustment for income                       |
| Montréal      | Quebec                    |                               | Fixed fees (\$7.55/day) + adjustment for income                       |
| Longueuil     | Quebec                    |                               | Fixed fees (\$7.55/day) + adjustment for income                       |
| Québec City   | Quebec                    |                               | Fixed fees (\$7.55/day) + adjustment for income                       |
| Saint John    | New Brunswick             | 100%                          | All centres and home care agencies were called                        |
| Halifax       | Nova Scotia               | 55%                           | All centres 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 | 100%                          | All centres and home care agencies were called                        |

## Appendix 2: Methodology

IN MOST CITIES, the licensed capacity for centre-based spaces in the three age groups is used instead of the operational capacity. In some cases, the number of centre-based spaces changes based on the age composition of the children in care. In those cases, operational capacity is used instead. For home care, there is no licensed capacity per se, instead the capacity changes based on the ages of the children. As such, the home care space data is based on operational capacity.

The fee data collected reflects only full time, full day fees. If a center or home catered only to a shorter period, after school care for instance, it was excluded. In cases where fees could not be obtained by phone, but were available on a website, the website fee data was used. Additional, optional fees, for the provision of snacks or lunches for instance, are not included.

The phone survey was not conducted in the three provinces where fees are set by the province (Quebec, Manitoba and PEI) as city medians will be those set fees.

The phone survey was conducted between June 1st and August 12th, 2016. In previous years, this study relied on administrative data collected by the city or provincial governments, particularly in Ontario and Alberta. This year no administrative data was used. All data was collected through the phone survey. Differences between this year and previous surveys may be due to biases in the administrative data. In previous years some of the

administrative data was not collected on the same time frame as the main phone survey.

In most cities, all centers were called. Depending on the city, all coordinating home care agencies were called, or all individual home care providers were called. In larger cities, a sample of centre spaces or home spaces or both was taken to expedite data collection. Where random samples were taken the subsequent medians should be considered accurate within  $\pm 10\%$ , 9 times out of 10. The survey methodology for each city is summarized in *Table 3*.

Even when in cities where all centres were called, data was not always available due to unanswered/unreturned phone calls, refusals or incorrect numbers. The percentage of overall covered by the survey is contained in *Table 3*.

Child care fees were reported over various time frames. All fees were converted to cost per day for comparison, although they are reported in the text of this report on a monthly basis. Monthly amounts were divided by 21.7 to account for different month lengths and vacation days. Weekly amounts were divided by five. Yearly amounts were divided by 250.

The cities in Quebec employs a sliding scale for fees after families make above \$75,820 in 2016. Between \$51,670 and \$76,980 in family income, fees in any category are \$8.25 a day. Below family incomes of \$51,670, the daily fee is \$7.55 a day. As such, parents face different prices for child care depending on their income. In order to represent a city, the median pre-tax income for a family with children under six is used. That median amount per city is used to determine the appropriate fee for each city. This provides a different fee in Montreal, where median family incomes are lower. In all other cities, the fees are \$8.25 a day given the higher median family incomes there.

# Notes

- 1** Child Care, Liberal Party of Canada 2016 Election Platform (<https://www.liberal.ca/realchange/child-care/>) Accessed on December 1<sup>st</sup>, 2016
- 2** 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 December 1<sup>st</sup>, 2016).
- 3** Manitoba Child Care Association, “Poll Shows Huge Public Support for Child Care in Manitoba” October 25, 2016 (<http://mccahouse.org/probe-research-poll-shows-huge-public-support-child-care-manitoba/> Accessed December 1, 2016)
- 4** David Macdonald and Martha Friendly, “The Parent Trap: child care fees in Canada’s big cities”, Canadian Centre for Policy Alternatives, November 2014.
- 5** David Macdonald and Thea Klinger, “They Go Up So Fast: 2015 child care fees in Canadian cities” Canadian Centre for Policy Alternatives, December 2015.
- 6** Ibid, pg.10–12.
- 7** Cansim 326-0020 All-Item CPI between July 2014 (125.7) and July 2016 (128.9) which were the midpoints of when the child care fee survey was administered.
- 8** See Rob Ferguson, “Ontario bans ‘unfair’ wait-list fees for daycare spots”, The Toronto Star, August 2nd, 2016, <https://www.thestar.com/news/queenspark/2016/08/02/ontario-bans-unfair-wait-list-fees-for-daycare-spots.html> (accessed on November 28th, 2016)
- 9** David Macdonald and Thea Klinger, “They Go Up So Fast: 2015 child care fees in Canadian cities” Canadian Centre for Policy Alternatives, December 2015, Appendix C.



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