

# Child Care Fees Rising S - l - o - w - l - y

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For 18 years, *Exchange* has been monitoring fees charged by early childhood programs in the United States. Since 1989, three trends have consistently prevailed:

- Fees have been increasing, but at a steadily decreasing rate.
- Fees vary by age group.
- Fees vary dramatically by region.

## Fees increasing slowly

In the 1980s, when the child care market was still expanding at a great rate, child care fees were rising at a healthy rate. However, the wheels fell off in the early '90s. Then, with the collapse of the economy in 2001, child care programs were hard pressed to hold the line on fees.

Child care fees continue to increase every year. But the rate of increase is slowing. From 1989 to 1994 fees increased at an annual rate of just over 6%. But most of the increases occurred at the beginning of this period, with fees rising by an average annual rate of over 8% between 1989 and 1991. However, from 1996 to 2005, fees increased at an annual rate of just under 2.5%.

## Fees vary by age group

Not surprisingly, over the past 16 years, fees have consistently varied by the age of the child in care. In the 2005 fees survey, fees in the United States by age differ as follows:

- 6 month olds — \$152
- 2 year olds — \$155
- 4 year olds — \$142
- 6 year olds — \$89

## Fees vary dramatically geographically

The most dramatic difference in fees is geographic. The fees in different regions of the country vary dramatically as follows:

- New England — \$165
- Mid-Atlantic — \$161
- South — \$103
- Midwest — \$128
- Southwest — \$117
- West — \$132

## Survey on Child Care Fees in North America

**Question:** What is the average weekly fee for full day services for preschool children and school-age fees for 6 year olds in your community?

	6 month olds	2 year olds	4 year olds	6 year olds
Canada	118	119	116	64
New England	188	184	173	113
Mid-Atlantic	172	185	169	116
South	118	123	113	59
Midwest	144	140	128	100
Southwest	149	135	119	65
West	143	160	147	79

Source: *Exchange Insta-Poll*; number of respondents = 665.