

2021 CHILD CARE WAGE ENHANCEMENT/HOME CHILDCARE ENHANCEMENT GRANTS (HCCEG)

PURPOSE

Registered early childhood educators (RECEs) and other child care program staff play a key role during the critical years of a child's development. However, there is a significant wage gap between RECEs working in the publicly funded education system and those in the licensed child care sector. This wage gap creates challenges in retaining qualified pedagogical professionals to deliver affordable, high quality services.

The Ontario government has made an ongoing funding commitment to support a wage enhancement for eligible child care professionals working in licensed child care settings. The wage enhancement/HCCEG will help retain RECEs, and support access to stable, high-quality child care programs for children in Ontario. The wage enhancement will also help to close the wage gap between registered early childhood educators (RECEs) working in the kindergarten program and RECEs/other child care program staff working in licensed child care settings.

The wage enhancement grant supports an increase of up to \$2 per hour, plus 17.5 percent benefits for licensed program staff and home visitors. In addition, the HCCEG supports an increase of up to \$20 per day for home child care providers contracted with a licensed home child care agency.

GOALS

The goals of the enhancement are to:

- Close the wage gap between RECE wages in the education sector and licensed child care sectors;
- Stabilize licensed child care operators by helping them retain RECEs/child care staff; and
- Support greater employment and income

security. These goals support the ministry's priorities

to:

- Stabilize and transform the existing child care system to increase program choice and reliability for parents and support consistent, higher quality child care services to support children's learning and development; and

- Support licensed home child care agencies and strengthen the licensed home child care system.

ELIGIBILITY

All licensed child care centres and home child care agencies are eligible to apply for wage enhancement/HCCEG funding, regardless of participation in municipal quality initiatives, or current purchase of service status with their local CMSM or DSSAB.

Licensed centres or agencies created in 2021 are eligible to apply for wage enhancement or HCCEG in the year the program begins operations.

Wage Cap

As the intent of the wage enhancement is to close the wage gap between RECEs working in the publicly funded education sector, and RECEs, child care program staff and providers in licensed child care settings, the ministry has established an hourly wage maximum of **\$28.31** per hour for wage enhancement and **\$283.10** per day for full HCCEG (**\$169.86** for partial HCCEG).

This wage cap aligns with the top of the existing school board Educator Salary Matrix for RECEs working in the Kindergarten program. In 2021, the wage cap has increased to align with adjustments to the salary and wages of the school-based ECE grids in accordance with the education sector central collective agreements.

Wage Enhancement - Child Care Centre Program Staff and Home Child Care Visitors

Note: Eligibility criteria are used to determine entitlement (based on hours worked in 2020 or a comparable prior year) and to determine payments to staff in 2021. For licensees that open in the current year, please estimate number of hours to be worked.

Full Wage Enhancement

To be eligible to receive the full 2021 wage enhancement of \$2 an hour plus 17.5 per cent in benefits, staff must:

- Be employed in a licensed child care centre or agency;
- Have an associated base wage excluding prior year's wage enhancement of

\$26.31 or less per hour (i.e. \$2 or more below the wage cap of \$28.31); and

- Be in a position categorized as a child care supervisor, RECE, home child care visitor, or otherwise counted toward adult to child ratios under the *Child Care and Early Years Act, 2014*.

Child care program positions that are in place to maintain higher employee-child ratios than required under the *Child Care and Early Years Act*, and meet the eligibility outlined above, are also eligible for wage enhancement.

Partial Wage Enhancement

Where an eligible centre-based or home visitor position has an associated base wage rate excluding prior year's wage enhancement between \$26.32 and \$28.30 per hour, the position is eligible for a partial wage enhancement. The partial wage enhancement will increase the wage of the qualifying position to \$28.31 per hour without exceeding the cap.

- For example, if an RECE position has a base wage rate, excluding the previous year's wage enhancement, of \$26.90 per hour, the position would be eligible for wage enhancement of \$1.41 per hour.

Ineligible Positions (Non-Program Staff):

- Cook, custodial and other non-program staff positions.
- SNR-funded resource teachers/consultants and supplemental staff.
- The only exception to the two above noted positions is if the position spends at least 25 per cent of their time to support ratio requirements; in which case the staff would be eligible for wage enhancement for the hours worked in the eligible position supporting ratio.
- Staff hired through a third party (i.e. temp agency).

Home Child Care Enhancement Grant (HCCEG) - Home Child Care

Providers Full Home Child Care Enhancement Grant

In order to be eligible to receive the full HCCEG of \$20.00 per day, home child care providers must:

- Hold a contract with a licensed home child care agency;

- Provide services to one child or more (including privately placed children; excluding the provider's own children);
- Provide full time services on average (6 hours or more a day); and
- Receive base daily fees, excluding prior year's HCCEG, of \$263.10 or less (i.e. \$20.00 below the cap of \$283.10).

Partial Home Child Care Enhancement Grant

In order to be eligible to receive the partial HCCEG of \$10.00 per day, home child care providers must:

- Hold a contract with a licensed home child care agency;
- Provide services to one child or more (including privately placed children; excluding providers own children);
- Provide part time services on average (less than 6 hours a day); and
- Receive base daily fees, excluding prior year's HCCEG of \$159.86 or less (i.e. \$10.00 below the cap of \$169.86).

Please note: Information on privately placed children must be considered when determining eligibility and payments for the HCCEG.

Supplemental Grant

The ministry will provide an additional supplemental grant of \$150.00 for each eligible centre based FTE or home visitor FTE and \$50.00 for each eligible home childcare provider. The supplemental grant allows licensees some flexibility to provide and implement wage enhancement in a way that aligns with their regular operations.

The supplemental grant must be used to support staff, home visitors' and providers' hourly/daily wage or benefits.

It provides licensees with the flexibility to cover salary shortfalls (due to increased hours in program or new staff/providers) and additional benefits, (e.g. vacation days, sick days, PD days and/or other benefits) once mandatory benefits are covered. Any funding that is not used for these purposes will be recovered.

CMSMs/DSSABs should work with licensees to set priorities on how to use

the supplemental grant.

ELIGIBLE EXPENSES

Wage enhancement/HCCCEG funding must be directed solely to licensed child care staff and home visitors to increase wages and benefits, and to home child care providers to increase daily income. Wage enhancement/HCCCEG funding cannot be used to support child care system expansion, or reduce fees.

CMSMs and DSSABs and licensees may only use the funding for the intended purposes of:

- Increasing wages of eligible centre-based staff and home visitors by up to \$2.00 per hour plus 17.5 percent benefits based on their current wage rate for all hours worked in program, including overtime hours,

Please note: the salary increase cannot exceed \$2.00 per hour in program and the wage cap of \$28.31 per hour. Licensees may exceed 17.5 per cent for benefits if the supplemental grant is used to support additional benefit expenses.

- Providing a daily increase of up to \$20.00 for eligible licensed home child care providers based on current hours of service provided.

Please note: the daily wage increase cannot exceed \$20.00 and the daily cap of \$283.10.

Benefits Funding and Flexibility

Benefits of 17.5 per cent support licensees in meeting their statutory benefit requirements.

Once all statutory benefits requirements are met (including up to two (2) weeks of vacation and 9 statutory days), any remaining funding within 17.5 per cent can be used to fund other benefit expenses paid by the employer on behalf of the employee.

Any residual benefits funding can be used to support wage enhancement salaries per the above allowable expenses. Please note this is one-way funding flexibility only, that is, salary funding cannot be used for benefits.

Supplemental grant provides licensees with the flexibility to cover additional benefits, (e.g. vacation days, sick days, PD days and/or other benefits) once mandatory benefits are covered.

Any funding not used for the intended purpose will be recovered by the ministry.