Child Care Wage Enhancement/Home Child Care Enhancement Grant Questions and Answers

GENERAL

Q1. What is the wage enhancement/home child care enhancement grant initiative?

A. The 2014 Budget included an investment of $269 million over three years to support a wage enhancement in the licensed child care sector. The wage enhancement will benefit low-income child care program staff in the sector, help retain Registered Early Childhood Educators (RECEs), and support access to stable, high-quality child care programs for children in Ontario. The enhancement will also help close the wage gap between registered early childhood educators (RECEs) working in full-day kindergarten (FDK) programs and RECEs/child care professionals in licensed child care settings.

In order to meet these goals, the wage enhancement initiative is intended to be an ongoing investment. Consistent with the government's commitment, effective January 1, 2016 the wage enhancement will support an increase of up to $2 per hour, plus 17.5 percent benefits. In addition, the Home Child Care Enhancement Grant (HCCEG) will support an increase of up to $20 per day in 2016 for home child care providers.

Q2. How much is the wage enhancement?

A. In 2016, wage enhancement funding will support an increase of up to $2 per hour, plus 17.5 per cent benefits. In addition, the Home Child Care Enhancement Grant (HCCEG) will support an increase of up to $20 per day in 2016 for home child care providers. This amount has increased from last year when $1 per hour plus 17.5 per cent benefits was provided in total compensation to eligible employees and $10 per day to eligible home child care providers.

Q3. What is the supplemental grant and what can it be used for?

A. In addition to wage enhancement and HCCEG funding, in 2016 the ministry will provide a supplemental grant for operators, equal to $150 for each eligible centre based FTE or home visitor FTE and $50 for each eligible home child care provider. This grant will be automatically calculated on the application forms, based on the information provided by operators.

The supplemental grant must be used to support staff, home visitors and providers' hourly/daily wage or benefits, and provides operators with the flexibility to cover salary shortfalls due to increased hours or staffing, and additional benefits (e.g. additional time in program, new staff or providers, vacation days, sick days or 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 operators to set priorities on how to use the supplemental grant.

Q4. Why has the 2016 implementation process changed from 2015?

A. The first year of the wage enhancement initiative was a transition year and allowed the ministry to work with municipalities and operators to implement the wage enhancement funding and offer opportunities for feedback and learning to inform adjustments for the second year.

The ministry revised the implementation approach in 2016 in response to significant feedback received from the sector throughout the first year of the wage enhancement initiative.

ELIGIBILITY

Q5. Which child care staff are eligible for wage enhancement funding?

A. To be eligible to receive wage enhancement, RECEs, home visitors and other child care program staff must be:

- Employed in a licensed child care centre or home child care agency;
- Have an associated base wage of less than $26.27 per hour excluding year one's wage enhancement; and
- Categorized as a child care supervisor, RECE, home child care visitor, or can be otherwise counted toward adult to child ratios under the *Child Care and Early Years Act, 2014* (CCEYA).

Supplementary program staff positions that are in place to maintain lower adult-child ratios than required under the CCEYA are also eligible for wage enhancement.

Q6. What are the HCCEG eligibility requirements for home child care providers?

A. In order to be eligible to receive HCCEG, home child care providers must:

- Hold a contract with a licensed home child care agency; and
- Provide services to one child or more (excluding provider's own children).

To be eligible to receive the **full HCCEG of $20 per day**, home child care providers must:

- Provide on average **full-time services** (6 hours or more hours); and
- Receive less than $242.70 ($20 below the cap of $262.70) per day in base fees excluding year one's HCCEG.

Home child care providers are eligible for a partial HCCEG of $10 per day if on average they provide **part-time services** (less than 6 hours) and receive less than

$147.62 ($10 below the cap of $157.62) per day in base fees excluding year one's HCCEG.

If at any point a home child care provider stops serving children or earns more than the cap, the home child care agency must terminate the transfer of HCCEG funds to the provider.

Q7. Are non-program staff (e.g. cook, custodial staff, and administrator) eligible for wage enhancement?

A. Non-program staff positions may be eligible for wage enhancement funding where at least 25 per cent of the non-program staff position is used to support CCEYA ratio requirements. In these instances, the enhancement will be provided for the time in program.

Q8. Are Resource Teachers/consultants or supplemental staff employed to support the integration of children with special needs eligible for wage enhancement funding?

A. Resource Teachers/consultants or staff employed to support the integration of children with special needs are not eligible for wage enhancement funding as their positions may not be counted toward the required ratio of employees to children in regulated child care programs. In addition, Resource Teachers/consultants are typically hired through an agency and are not employed directly by licensed child care programs, and therefore are not eligible for wage enhancement.

The only exception to this provision is if the position is employed by a licensed child care program and at least 25 per cent of the position is used to support ratio requirements. In this case, the staff could be eligible for wage enhancement for the hours worked in the child care program supporting ratio.

Q9. Will wage enhancement funding be available to RECEs and other program staff employed by family support programs?

A. Wage enhancement funding is only available to child care professionals employed in licensed child care programs. At this time, there is no commitment for wage enhancement funding to be extended to staff in family support programs.

Q10. What if a Supervisor only spends 25 per cent of their time working directly with children? Does that mean they are only eligible for 25 per cent of the wage enhancement?

A. Supervisors are required under the CCEYA, and are therefore eligible to receive the wage enhancement for 100 per cent of the time they are working in a licensed child care program, regardless of the amount of time they are working directly with children, provided they earn less than the cap.

Q11. Can a child care operator provide wage enhancement/HCCEG to current eligible positions or can it only be provided to eligible positions that existed last year?

A. In 2016, operators have the flexibility to pay wage enhancement/HCCEG to current eligible positions and providers for their hours or days worked in 2016.

Q12. Why is the 2016 wage enhancement/HCCEG based on the hours worked in 2015 positions?

A. As with year one of the wage enhancement/HCCEG initiative, wage enhancement entitlement for operators is based on the hours worked by eligible positions in the previous year. This funding is then used to pay eligible staff for hours worked in 2016.

The HCCEG entitlement for agencies is based on eligible home child care provider's time in program (part time or full time) and days worked in 2015. This funding is then used to make payments to eligible home child care providers for their time in program in 2016.

Basing the 2016 wage enhancement funding on the hours worked in the previous year will help get the wage enhancement/HCCEG funding to eligible child care professionals sooner.

OPERATORS

Q13. Why am I responsible for applying for funding on behalf of my staff?

A. Applications are used to determine an operator's wage enhancement funding entitlement.

Q14. Is funding available to operators to support administration costs associated with implementing the wage enhancement initiative?

A. The ministry is providing child care service system managers with one-time funding for administration in 2016. This allocation is to be used to fund the administrative effort associated with implementing the enhancement/HCCEG at the CMSM/DSSAB and operator levels.

CMSMs and DSSABs are required to provide a minimum of 10% of their 2016 administration funding allocation to operators to support implementing wage enhancement/HCCEG.

Operators should contact their service system manager for more information on this funding.

Q15. Do I need to re-apply for funding every year?

A. Yes, wage enhancement/HCCEG funding entitlement is allocated to operators based on the hours worked in qualifying positions for the prior year. In the case of home child care providers, the HCCEG entitlement is allocated to home child care agencies based on the actual number of days worked in the prior year. This means that operators will be required to apply for funding every year to update this information.

Q16. I am unable to locate the application form. Where can I find it?

A. Application forms for wage enhancement are posted on your local municipality's website.

Q17. I missed the application deadline. Can I request an extension?

A. Unfortunately, there are no extensions for the provision of wage enhancement and HCCEG funding in 2016. However, you can apply for funding in 2017.

Q18. I am having difficulty completing the application form. Who can help me?

A. Please contact your local municipal service system manager for support. Contact information for wage enhancement should be available on the website where you downloaded your application form.

Q19. If my licensed child care program opened after January 1, 2015, will my staff still receive a wage enhancement for the full 2016 year?

A. Yes, the 2016 wage enhancement application form which calculates entitlement takes into account centres and home child care agencies that opened after January 1, 2015 by asking operators to estimate hours to be worked by eligible positions for a full year.

Q20. How will CMSMs/DSSABs provide wage enhancement/HCCEG funding to child care operators?

A. Operators must apply to their local municipal child care service manager by March 31, 2016, or an earlier deadline set by the CMSM/DSSAB if applicable. The CMSM/DSSAB will review the application form and assess whether the operator qualifies for the wage enhancement or HCCEG.

Child care operators will enter into an agreement with their municipal service system manager for wage enhancement or HCCEG. If an operator has an existing purchase of service agreement, wage enhancement/HCCEG funding can be added to it. As the service system managers for child care, the municipality determines the timing of how funds are flowed to operators under these agreements. However, this timing should allow for operators to include wage enhancement/HCCEG as part of regular payments where possible.

Q21. Can the operator/agency decide when to give wage enhancement/HCCEG funding to the eligible staff/providers, for example once a year or quarterly like the old wage subsidy?

A. Operators are encouraged to provide wage enhancement/HCCEG on regular pay in 2016. If this is not feasible, they may provide quarterly lump sum payments to eligible staff or providers. Operators must clearly indicate on staff paycheques and home child care provider fee transfers the portion of funding that is being provided through the wage enhancement/HCCEG labeled as follows:

- Provincial child care wage enhancement
- Provincial home child care enhancement grant

Q22. What benefits are included as part of the 17.5 per cent for employer- related benefits?

A. The following is a breakdown of the statutory benefits included in the 17.5%:

Statutory Contributions	Child Care
Canada Pension Plan (CPP), max $52,500	4.95%
Employment Insurance (EI), max $48,600	2.63%
Workers Safety Insurance Board (WSIB)	1.10%
Employer Health Tax (EHT)	1.23%
Vacation Pay	4.00%
Public Holiday Pay	3.59%
Total	17.50%

Q23. My centre provides benefits at a rate higher than 17.5 percent. If I apply for the wage enhancement funding am I taking on a financial pressure for the benefits I provide over 17.5 per cent? Is there additional funding to support this cost?

A. In 2016, operators will be provided with a supplemental grant to support shortfalls related to wage enhancement. The funding can be used to provide wage enhancement for additional days/hours worked, sick time, off site professional development days, and/or additional benefits.

Q24. As a child care operator, what impact does wage enhancement have on my historical Pay Equity obligations?

A. Wage enhancement funding must be provided in addition to pay equity payments agreed to under the pay equity memorandum of settlement.

Q25. Does the wage enhancement funding replace the funding that my program receives from the municipality to pay for staff wages (e.g. general operating grant)?

A. No, wage enhancement funding is a separate investment and will be provided in addition to other funding sources, where applicable.

Q26. What if an operator closes during 2016, will the staff or home child care providers receive wage enhancement/HCCEG payments?

A. The ministry outlines wage enhancement accountability measures in the Ontario Child Care and Family Support Program Service Management and Funding Guideline.

If a centre or agency that applied for wage enhancement/HCCEG closes, CMSM/DSSABs are to work with the operator to meet the accountability requirements and support payments to eligible staff and/or home child care providers for hours worked before the closure. Any unused funds would be recovered.

FIRST NATIONS

Q27. Are licensed Head Start programs funded through Health Canada eligible for wage enhancement?

A. Yes, all licensed child care programs are eligible for wage enhancement funding.

Q28. How do First Nations apply for wage enhancement funding?

A. First Nations will receive a wage enhancement allocation as part of their 2016-17 service agreements; application forms will be sent out by the ministry along with the service agreement package. First Nations will be required to submit completed wage enhancement application forms to the Ministry of Education by June 30, 2016.

CHILD CARE PROFESSIONALS

Q29. How do I know that my centre/agency will apply?

A. The Ministry of Education will send a memo to licensed child care operators to notify them of the wage enhancement and HCCEG. The letter will encourage operators to apply to their municipality for funding. You may also wish to contact your CMSM/DSSAB for additional information.

Q30. How do I know that my centre/agency will give me 100 per cent of my wage enhancement/HCCEG?

A. Operators must clearly indicate on staff paycheques and home child care provider fee transfers, the portion of funding that is being provided through the wage enhancement/HCCEG, labeled as follows:

- Provincial child care wage enhancement
- Provincial home child care enhancement grant

Additionally, child care centres and participating home child care agencies are required to attest to their local municipality that they have provided 100 per cent of wage enhancement/HCCEG funding directly to eligible child care staff/home care providers.

Child care professionals should direct any concerns they have regarding an operator's use of wage enhancement/HCCEG funding to their local service system manager.

Q31. Who do I contact if I have concerns about this funding such as how it is being used?

A. As the service system managers for child care, municipalities will manage public inquiries related to the wage enhancement. Municipalities will post email/telephone contact information for inquiries related to the wage enhancement. Examples of the type of inquiries that might be directed to municipal service managers include:

- The process for applying for wage enhancement funding;
- How child care professionals can determine if their operator has applied for funding; and,
- How child care professionals can report an operator's misuse of funding (e.g. if they have not received their increase).

Q32. What happens if my operator does not apply for the funding?

A. The operator application process will be posted to municipal websites for a minimum of 45 days ending on March 31, 2016. Any operator who has not submitted an application for the wage enhancement or HCCEG by the deadline identified by their municipal child care manager will not be allocated wage enhancement or HCCEG funding in 2016. Operators who miss the application deadline may apply for wage enhancement or HCCEG funding in 2017.

Please contact your municipality to determine whether or not your operator has applied for funding.

Q33. If the operator of my child care program does not apply for wage enhancement/HCCEG funding, what is my recourse?

A. To help encourage your operator to apply for wage enhancement/HCCEG, you may wish to gather information on the initiative from your local CMSM or DSSAB's website that will support them in the application process.

Q34. I am entitled to a raise in 2016 based on my centre's salary grid. Will the wage enhancement be paid to me on top of the level I will be at on the salary grid?

A. Yes, the wage enhancement funding will be provided to eligible child care professionals in addition to their existing compensation (excluding year one's wage enhancement amount), provided the base hourly wage does not exceed the cap of $26.27.

Q35. If I pursue employment with a different child care centre in 2016, will the wage enhancement amount follow me to the new child care centre?

A. Wage enhancement funding does not follow individual staff, but stays with the original licensed program. The wage enhancement entitlement for an operator is based on eligible positions that existed in 2015. If your new position is an eligible position in the new child care centre, and the operator has applied for funding, then you should receive the wage enhancement at your new place of employment.

Operators may also exercise their flexibility in 2016 to provide newly created positions with wage enhancement in 2016. Please speak to your operator for details.

Q36. I am a provider who was not working with an agency in 2015, but recently joined a home child care agency in 2016; can I receive HCCEG in 2016?

A. Agencies have the flexibility to provide HCCEG to newly contracted home child care providers in 2016 as long as they meet the eligibility criteria and funding is available. The criteria to pay new home child care providers is set by each agency, please contact your agency for details.

Q37. I am an RECE working in a position that is eligible for wage enhancement, my operator has applied for funding, but I am beginning parental leave in June 2016. Will I be eligible for the wage enhancement?

A. Wage enhancement funding is provided for positions rather than individuals. This means that there will be a full year of wage enhancement funding available for the position referenced above.

If the operator is approved for the wage enhancement funding, they will be required to pay you retroactively for the hours worked in the eligible position from January to June 2016 prior to your parental leave.