

Child Care Wage Enhancement/Home Child Care Enhancement Grant

Questions and Answers

GENERAL

Q. 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.

The wage enhancement will support an increase of \$1 per hour in 2015, plus 17.5 percent benefits, with an additional increase in 2016. In addition, the Home Child Care Enhancement Grant (HCCEG) will support an increase of up to \$10 per day in 2015 for licensed home child care providers.

Q. Will this investment continue beyond the 3-year budget announcement?

A. Although, this investment was only noted as support for a 3-year period, it is intended to be an ongoing investment.

Q. What is the effective date of the wage enhancement?

A. The wage enhancement initiative is effective January 1, 2015.

Q. How much is the wage enhancement?

A. In 2015, \$1.00 is being provided in total compensation to eligible employees and \$10 per day to eligible private home day care providers. The 2016 amounts will be determined at a later date.

ELIGIBILITY

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

- A. To be eligible to receive the 2015 wage enhancement, child care professionals must be employed in a licensed child care position that:
- Existed in a licensed child care centre or home child care agency between January 1, 2014 and October 31, 2014, the eligibility period;
 - Has an associated wage of less than \$26.27 per hour;
 - Is categorized as a child care supervisor, RECE, home child care visitor, or can be otherwise counted toward adult to child ratios under the *Day Nurseries Act (DNA)*.

An equivalent grant called the Home Child Care Enhancement Grant (HCCEG) will be available to home child care providers who serve children placed through licensed child care agencies.

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

- A. Non-program staff positions may be eligible for a partial wage enhancement funding where at least 25% of the non-program staff position is used to support *Day Nurseries Act (DNA)* ratio requirements. In these instances, the enhancement will be prorated for the time spent in the eligible position.
- For example a position that requires a cook to spend 25 percent of their time in the infant room supporting ratio may receive up to 25 percent of the wage enhancement amount.

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

- A. No, Resource Teachers/consultants or supplemental 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.

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

A. One of the goals of the wage enhancement initiative is to increase program reliability for parents and support higher quality consistent child care services to support children's learning and development; supervisors play a crucial role in achieving this goal. Supervisors who qualify are eligible to receive the wage enhancement for 100 percent of the time they are working in a licensed child care setting, regardless of the amount of time they are working directly with children.

Q. Why is the 2015 wage enhancement based on the hours worked in 2014 positions?

A. The 2015 wage enhancement funding will be based on the number of hours worked by each eligible child care position in 2014. Basing the 2015 wage enhancement funding on the hours worked in the previous year will help get the wage enhancement funding into the pockets of eligible child care professionals quickly.

Q. If I pursue employment with a different child care centre in 2015, will the wage enhancement amount follow me to the new child care centre?

A. The wage enhancement is calculated based on eligible positions that existed as of October 31, 2014. If your new position is part of the eligible positions in your new child care centre, and your operator has applied for the funds, then you would be entitled the wage enhancement at your new place of employment.

Q. I will be on maternity leave for the first six months in 2015. Will I be eligible for the wage enhancement upon my return in July 2015?

A. Wage enhancement funding is provided for staff positions rather for individuals.

This means that there will be a full year of wage enhancement funding available for the position referenced above.

CHILD CARE PROFESSIONALS

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

A. The Ministry of Education is sending letters to each licensed child care operator in early January 2015 to notify them of the wage enhancement. The letter will encourage operators to apply to their municipality for funding.

Q. How do I know whether I am eligible for the wage enhancement?

A. To be eligible to receive the 2015 wage enhancement, child care professionals must be employed in a licensed child care position that:

- Existed in a licensed child care centre or home child care agency between January 1, 2014 and October 31, 2014, the eligibility period;
- Has an associated wage of less than \$26.27 per hour;
- Is categorized as a child care supervisor, RECE, home child care visitor, or can be otherwise counted toward adult to child ratios under the *Day Nurseries Act* (DNA).

Q. How do I know that my centre/agency will give me 100% 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% 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.

Q. 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) and more.

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

- A. The operator application process will be posted to municipal websites no later than May 1, 2015. Any operator who has not submitted an application for the wage enhancement by the deadline identified by their municipal child care manager will not be allocated wage enhancement funding in 2015. Operators who miss the application deadline may apply for wage enhancement funding in 2016.

Please contact your municipality to determine whether or not your operator has applied for funding; if they have not applied, please encourage them to do so.

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

- A. As child care centres/PHDC agencies are independent businesses the Ministry of Education cannot require that they apply for wage enhancement/HCCEG funding.

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.

Q. 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. Wage enhancement/HCCEG funding should be provided to eligible staff as soon as the operator/agency is notified that their application for funding has been approved and they have received the funds from the municipality. It is expected that this wage enhancement will be included in regular payments made to employees as soon as possible in 2015, however, this may not occur until September 2015 in some cases.

Following the transition year of 2015, the wage enhancement/HCCEG funding should be included on staff pay cheques and home provider payments beginning January 1, 2016.

Q. I am entitled to a raise in 2015 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/HCCEG funding will be provided to eligible child care professional in addition to their existing compensation.

Q. I work as an RECE in a full day kindergarten program and I am employed to work in the summer at a licensed child care program. Am I entitled to wage enhancement for my summer employment?

A. The 2015 wage enhancement is calculated based on child care positions that existed in the 2014 qualifying period. If the position at the summer employment existed in that period and other eligibility criteria (e.g. position type and hourly wage), the wage enhancement funding will be provided based on the number of hours worked in 2014.

OPERATORS

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

A. All provincial child care funding is flowed from the Ministry of Education to municipalities and then from municipalities to operators through a service agreement process. The same process is used for wage enhancement funding.

Q. Do I need to reapply for funding every year?

A. Yes, wage enhancement funding is allocated to operators based on the actual hours child care professionals worked in the qualifying period of the prior year. In the case of home child care providers, the HCCEG is allocated 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.

Q. 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.

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

A. Unfortunately, there are no extensions for the provision of wage enhancement funding in 2014. However, you can apply for funding in 2015.

Q. I am having difficulty completing a portion of the application form. Who can help me?

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

Q. If my licensed child care program opened after January 1, 2014, will my staff still receive a wage enhancement for the full 2015 year?

A. Yes, the 2015 wage enhancement application form takes into account centres and PHDC agencies that opened after January 1, 2014 by prorating the hours worked based on the amount of time the centre has been open. Provided you indicate on the form the date that your centre opened after January 1, 2014 this calculation will be done for you.

Q. What benefits are included as part of the 17.5% earmarked for employer-related benefits?

A. The following is a breakdown of the mandatory benefits for child care professionals. There is some variance in the requirements, which is why the cap is 17.5%.

Statutory Contributions	Percentage
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%

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

A. There is no additional funding under the wage enhancement initiative to support benefit costs beyond 17.5%. However, operators may wish to work with their CMSM/DSSAB to determine whether they are eligible for general operating funding which could be used to support the cost of additional benefits. Some benefits (such as supplementary health and dental) are compensated as a flat rate and will not require additional contributions as a result of the wage enhancement.

Q. 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.

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

A. Operators must apply to their local municipal child care service manager by June 30, 2015. The CMSM/DSSAB will review the application form and assess whether the operator qualifies for the wage enhancement.

Child care operators will enter into a purchase of service agreement with their municipal service system manager for wage enhancement. If an operator has an existing purchase of service agreement, wage enhancement 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 as part of regular pay where possible.

Q. 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 new investment and will be provided in addition to other funding sources, where applicable.

FIRST NATIONS

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

A. Yes, all licensed child care programs may apply for wage enhancement funding.

Q. Will private child care centres in First Nation communities be eligible for wage enhancement?

A. Yes, all licensed child care operators who apply for funding and employ staff who meet the eligibility criteria will be provided with wage enhancement funds.

FAMILY SUPPORT PROGRAMS

Q. 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 settings. At this time, there is no commitment for wage enhancement funding to be extended to staff in family support programs.