

First Nations 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 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 per cent benefits. In addition, the Home Child Care Enhancement Grant (HCCEG) will support an increase of up to \$20 per day in 2016-17 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 2016-17 for home child care providers. This amount has increased from last year when up to \$1 per hour and up to 17.5 per cent benefits was provided in total compensation to eligible employees and up to \$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 2016-17 the ministry will provide a supplemental grant for First Nations, 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 First Nations.

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

Q4. Why has the 2016-17 implementation process changed from 2015-16?

- A. The first year of the wage enhancement initiative was a transition year and allowed the ministry to work with First Nations 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 2016-17 in response to significant feedback received from the sector throughout the first year of the wage enhancement initiative.

Q5. When is the effective date of the additional increases for the wage enhancement?

- A. The additional increase in 2016 for the wage enhancement/HCCEG is effective January 1, 2016. First Nations are required to submit application forms for their wage enhancement/HCCEG entitlement to the ministry no later than June 30th, 2016. First Nations may continue to flow current wage enhancement/HCCEG amounts to eligible staff and home child care providers. Some may choose to wait until 2016-17 wage enhancement/HCCEG funding is received. First Nations are to make payments to eligible staff and home child providers in 2016-17 based on time hours or days worked in 2016-17. Payments are to be made retroactively to January 1, 2016.

ELIGIBILITY

Q6. 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.

Q7. 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.

Q8. 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.

Q9. 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.

Q10. 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.

Q11. 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.

Q12. 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 2016-17, First Nations have the flexibility to pay wage enhancement/HCCEG to current eligible positions and home child care providers for their hours or days worked in 2016-17.

Q13. Why is the 2016-17 wage enhancement/HCCEG based on the hours worked in 2015-16 positions?

- A. As with year one of the wage enhancement/HCCEG initiative, entitlement for First Nations 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 the current year.

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 2015-16. This funding is then used to make payments to eligible home child care providers for their time in program in 2016-17.

FIRST NATIONS

Q14. Why am I responsible for applying for funding on behalf of my staff?

- A. The centre based or home child care based application forms are used to determine a First Nations wage enhancement/HCCEG funding entitlement in 2016-17 to enable the First Nation to increase wage or base fees for eligible child care staff and home child care providers.

Q15. Is funding available to First Nations to support administration costs associated with implementing the wage enhancement initiative?

- A. The ministry is providing First Nations funding for the administration of wage enhancement/HCCEG in 2016-17. This allocation is to be used to fund the administrative effort associated with implementing the wage enhancement/HCCEG.

Q16. Can First Nations use wage enhancement administration funding to cover wage enhancement funding pressures?

- A. No, wage enhancement administration funding can only be used to support the costs associated with administering the wage enhancement/HCCEG. Pressures for wage enhancement can be funded by the supplemental grant.

Q17. Can wage enhancement administration funding be used to support regular child care administration?

- A. No, wage enhancement funding may not be used to support regular child care administration. It can only be used to support the implementation of wage enhancement/HCCEG.

Q18. Do I need to re-apply for funding every year?

- A. Yes, wage enhancement/HCCEG funding entitlement is allocated to First Nations 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 First Nations will be required to apply for funding every year to update this information.

APPLICATION FORMS

Q19. I am unable to locate the application form, where can I find it?

- A. Application forms for wage enhancement/HCCEG were provided to First Nations as part of the service agreement package.

Q20. I am having difficulty completing a portion of the application form. Who can help me?

- A. Please contact your Financial Analyst for support. A list of Financial Analysts is available on the Financial Analysis and Accountability Branch website.

Q21. If my licensed child care program opened during April 1, 2015 to March 31, 2016, will my staff still receive a wage enhancement for the full 2016-17 year?

- A. Yes, the 2016-17 wage enhancement application form which calculates entitlement takes into account centres and home child care agencies that opened during April 1, 2015 to March 31, 2016 by asking First Nations to estimate hours to be worked by eligible positions for a full year.

Q22. Can the First Nation decide when to make wage enhancement/HCCEG payments to the eligible staff/providers, for example once a year or quarterly like the old wage subsidy?

- A. First Nations are encouraged to provide wage enhancement/HCCEG on regular pay in 2016-17. If this is not feasible, they may provide quarterly lump sum payments to eligible staff or providers. First Nations 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

Q23. 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 per cent:

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%

Q24. My centre provides benefits at a rate higher than 17.5 per cent. 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. First Nations have the flexibility to increase or decrease the percentage distribution between benefit categories provided they do not exceed the 17.5 per cent cap.

In 2016-17, First Nations 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.

Q25. What impact does wage enhancement have on 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.

Q26. Does the wage enhancement funding replace the funding that my program receives from the First Nation to pay for staff wages (e.g. wage subsidy)?

A. No, wage enhancement funding will be provided in addition to other funding (e.g. transformation or wage subsidy funding), where applicable.

Q27. What if a centre or agency closes during 2016-17, 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 Business Practice, Service and Funding Guideline.

If a centre or agency that applied for wage enhancement/HCCEG closes, First Nations are 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 by the ministry.

Q28. 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.

Q29. Are privately-operated, licensed child care centres, not directly-operated by a First Nation but located in a First Nation community, eligible for the wage enhancement?

- A. Yes, all licensed child care operators who employ staff that meet the eligibility criteria are eligible for wage enhancement funds. Private-operators must apply to their First Nation band council for wage enhancement funding.

Q30. If our regular staff is on PD, vacation, or sick leaves and we have a supply staff to fill in for the regular staff, do we count both the hours worked by the supply staff and the regular staff?

- A. The operator has two options in terms of reporting the hours worked in an eligible position by both regular and supply staff in the application form to generate their 2016-17 funding entitlement.

1. If all hours worked by a supply staff are to replace the regular staff's hours (PD days, sick days, vacations days, etc.), the operator can report all hours worked in 2015-16 by the regular staff including their sick days and vacation days on one line on the application and exclude the hours worked by the supply staff. This option was suggested in 2016-17 to reduce some administrative burden on having to keep track of the hours worked by all individuals in the same eligible position separately.
2. If operators decided to report the hours worked by a supply staff on a separate line, then the hours worked by the regular staff during 2015-16 should include actual hours worked only (i.e. exclude sick days, vacation days, other leaves, etc.).

The 2015-16 hours are used to determine the 2016-17 entitlement which is then used to make payments to the eligible staff for hours worked in 2016-17.

A supplemental grant will also be provided as part of your entitlement which is calculated based on the number of FTEs in the program. This funding can be used to support additional benefits or salaries such as additional days worked, PD days and sick days.

Q31. Do closure days (e.g. extreme weather) need to be deducted from the application form?

- A. No. Program closures that took place in 2015-16 due to unusual circumstances (e.g. extreme weather, power outages, gas leaks, etc.) and that are unlikely to occur in subsequent years, should not be deducted from the application form.

Wage enhancement payments should be provided to eligible staff for each hour spent in program in 2016-17. If a centre is closed in 2016-17 due to unusual circumstances and staff receive their regular wages, First Nation have discretion to provide the wage enhancement for these hours. If there are funding pressures as a result of this, First Nations can use their supplemental grant.

Q32. Should First Nations fill out one application for all of its child care locations?

- A. One application should be completed for each licensed child care centre or home child care agency.

CHILD CARE PROFESSIONALS

Q33. How do I know that my centre/agency will give me 100 per cent of my wage enhancement/HCCEG?

- A. Operators/First Nations 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, First Nations are required to comply with the accountability requirements set by the Ministry of Education, this includes ensuring 100 per cent of wage enhancement/HCCEG funding is provided to eligible child care staff/home care providers.

Q34. Who do I contact if I have concerns about this funding, such as how it is being used?

A. First Nations will manage inquiries related to the wage enhancement. However, First Nations child care program staff may also direct their concerns to the Ministry of Education.

Q35. 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.

Q36. 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 2015-16. 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 2016-17 to provide newly created positions with wage enhancement in 2016-17. Please speak to your operator for details.

Q37. I am a provider who was not working with an agency in 2015-16, but recently joined a home child care agency in 2016-17; can I receive HCCEG in 2016-17?

A. Agencies have the flexibility to provide HCCEG to newly contracted home child care providers in 2016-17 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.

Q38. 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. If the operator is approved for the wage enhancement funding and you are eligible for this funding, the centre 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.