

2024: EYCC01

TO: Consolidated Municipal Service Managers and District
Social Services Administration Boards

FROM: Holly Moran, Assistant Deputy Minister
Early Years and Child Care Division

DATE: March 28, 2024

SUBJECT: Updates to Ontario's Child Care Workforce Strategy and the Canada-wide
Early Learning and Child Care System

As we enter year three of the implementation of the Canada-wide Early Learning and Child Care (CWELCC) system, we are pleased to be making progress on our shared goal of achieving a high-quality early years and child care system. To that end, the ministry wishes to share the following updates, which are designed to support our child care delivery partners through 2024 and beyond.

Ontario's Child Care Workforce Strategy Updates

The ministry continues its work on the implementation of Ontario's Child Care Workforce Strategy, announced on November 16, 2023. At this stage of implementation, and further to the [November 2023 memo introducing Ontario's Child Care Workforce Strategy](#), please note the following updates:

A. Workforce Compensation

On January 1, 2024, increases to the wage floor and eligibility ceiling for 2024 came into effect as part of the Ontario Child Care Workforce Strategy under the CWELCC system.

Increases to wage floor amounts

In 2024, the wage floor for eligible Registered Early Childhood Educator (RECE) Program Staff was increased to \$23.86 per hour plus benefits, and for eligible RECE Child Care Supervisors and RECE Home Child Care Visitors to \$24.86 per hour plus benefits. CWELCC-enrolled child care licensees are required to bring up the wage floor of all eligible RECE staff for the given year, as provided in the table below:

| Hourly Wage Floor 2022 to 2026* | 2022 | 2023 | 2024 | 2025 | 2026 |
|---|---------|---------|---------|---------|---------|
| RECE Program Staff | \$18.00 | \$19.00 | \$23.86 | \$24.86 | \$25.86 |
| RECE Child Care Supervisors or RECE Home Child Care Visitors | \$20.00 | \$21.00 | \$24.86 | \$25.86 | \$26.86 |

*In addition to the hourly wage, staff are required to receive benefits.

Increases to wage eligibility ceiling

In 2024, the wage eligibility ceiling for eligible RECE Program Staff was increased to \$26.00 per hour and for RECE Child Care Supervisors and RECE Home Child Care Visitors to \$29.00 per hour. Annual wage eligibility ceiling increases for each year are provided in the table below:

| Wage Eligibility Ceiling 2022 to 2026* | 2022 | 2023 | 2024 | 2025 | 2026 |
|---|-------------|-------------|-------------|-------------|-------------|
| RECE Program Staff | \$25.00 | \$25.00 | \$26.00 | \$27.00 | \$28.00 |
| RECE Child Care Supervisors or RECE Home Child Care Visitors | \$25.00 | \$25.00 | \$29.00 | \$30.00 | \$31.00 |

*In addition to the hourly wage, staff are required to receive benefits.

It is important to note that workforce compensation funding is tied to the position, not the individual staff. However, an individual staff's base wage will determine how much CWELCC funding can be provided. Workforce compensation funding is provided for all eligible staff that continue in their existing positions, newly fill existing positions (e.g., replace a previous staff member), or fill newly created positions.

To ensure staff in enrolled licensed centres are able to apply these wage improvements retroactively to the January 1, 2024 effective date, service system managers (SSMs) must make retroactive payments to (to January 1, 2024) CWELCC-enrolled child care licensees on or before 30 calendar days of receiving the funding allocation for this purpose. The ministry may also request monthly updates on the progress of the funding.

Starting in June 2024, payments to SSMs will include the incremental funding related to the 2024 workforce strategy allocation, with an initial lump sum payment to cover funding requirements from January to June, with the remaining funding to be paid monthly after this.

SSMs can refer to Section 6 of the updated 2024 CWELCC Guidelines for more details on workforce compensation changes to support implementation.

B. Professional Learning

The ministry is investing \$18.5 million per year to fund one paid professional learning day to improve recruitment and retention of RECEs and other program staff working in licensed centre- and home child care and EarlyON Child and Family Centres and to support the implementation of the CWELCC agreement. Professional learning funding will support opportunities that build the capacity of the early years and child care sector for the provision of high-quality programs that align with *How Does Learning Happen? Ontario's Pedagogy for the Early Years*. This includes support for the provision of mental health and resilience training.

SSMs can refer to the 2024 Professional Learning Funding Guidelines for more information on the parameters for professional learning funding, including eligibility, implementation and reporting requirements.

Other CWELCC System Updates

Increased Funding for Emerging Issues

On November 30, 2023, the ministry announced emerging issues allocations totaling \$75 million for 2024.

To further support the sector, the ministry has increased 2024 emerging issues allocations by \$23.25 million, bringing total emerging issues funding to \$98.25 million for 2024. This additional funding is being provided to help alleviate licensees' non-discretionary cost pressures from January to March 31, 2024.

The ministry may request, later in 2024, updated or more detailed information to support further understanding of non-discretionary cost pressures in the sector and resulting take-up of emerging issues funds. This could also include additional information about accountability measures implemented for emerging issues funding.

For information on emerging issues funding requirements, SSMs can refer to Section 8 of the updated 2024 CWELCC Guidelines.

Value-for-money Audits

Based on feedback received from SSMs, the ministry has updated the submission timeline of the value-for-money audit reporting requirement, as follows:

- SSMs may request, **by August 31, 2024**, extensions to the deadline to complete the value-for-money audit. The ministry may consider extending the deadline up to June 30, 2025. The extension request must be supported with sufficient documentation demonstrating progress made to date and confirming that the audit report will be submitted to the ministry by June 30, 2025, at the latest.
- SSMs that have undertaken a similar value-for money audit in the last five years (that is, since January 1, 2019) and believe that the existing report addresses the purpose of audit requirements as stated in the 2024 CWELCC Guideline, must share a copy of the existing auditor report with the ministry **by June 28, 2024**. This deadline is to give the ministry an opportunity to confirm the report meets the objectives of the audit requirement and, if not, allow the SSM time to undertake a new audit.
 - For value-for-money audits performed prior to March 2022, SSMs must submit, along with their report, an attestation confirming that nothing material has changed in the operations being audited and that the audit results would not materially differ if the audit were to be reperformed in 2024.

For more information on value-for-money audit requirements, SSMs can refer to Section 2 of the updated 2024 CWELCC Guidelines and the Addendum to Ontario Child Care and EarlyON Child and Family Centres Service Management and Funding Guideline (2024): Value-for-Money Audit Updates.

Increased funding and flexibility for Start-up Grants

To further support child care space creation under CWELCC for children aged 0 to 5 years, the ministry is releasing an additional \$75.3 million in Start-up Grant funding to SSMs for the 2024 calendar year – an increase from \$85.4 million to \$160.7 million. In 2025, the ministry is also planning to allocate about \$151 million in additional Start-up Grant funding.

For SSMs this means the ministry will increase Start-up Grant funding allocations from up to \$7,000 to \$9,000 per centre space and from up to \$1,000 to \$1,200 per home child care space. These new per space Start-up Grant funding amounts are retroactive to January 1, 2024. The updated 2024 Start-up Grant allocations provide for the creation of all 2024 community-based space targets and 50% of 2025.

| Child care space type | Prior Start-up Grant funding amounts per child care space | New Start-up Grant funding amounts per child care space | Net increase per child care space |
|-----------------------|---|---|-----------------------------------|
| Centre-based | \$7,000 | \$9,000 | +\$2,000 |
| Home-based | \$1,000 | \$1,200 | +\$200 |

The ministry is also increasing SSM flexibility in allocating Start-up Grants to eligible centre-based licensees by removing the funding cap of \$90 per square foot and by lowering the number of child care spaces for a grant of up to \$350,000 in funding from every 50 to every 20 child care spaces created. Eligible home child care licensees can now receive grants of up to \$1,200 per CWELCC space created as indicated above, to a maximum of \$7,200 per provider. These changes can be applied to projects that have been approved since January 1, 2024, and/or that are in progress with a completion date of 2024-2026.

These changes aim to address sector feedback on the need for more available funding sooner and to better align with actual space creation costs, while supporting Directed Growth.

Information on the Early Learning and Child Care (ELCC) Infrastructure Fund and how it will align with the Start-up Grant program to support space creation will be shared with SSMs later in 2024.

Next Steps

In the coming weeks, the ministry will release amended 2024 transfer payment agreements with the additional workforce compensation, professional learning, emerging issues, and Start-up Grant funding included. Refer to Appendix A of this memo for corresponding 2024 incremental CWELCC funding allocations.

The ministry continues to work on finalizing a new child care funding approach that aims to integrate current child care funds into the new CWELCC funding formula. Information about a new funding approach will follow providing sufficient time to support a smooth implementation.

Thank you for your continued support in the implementation of CWELCC. We are confident that with your ongoing leadership and commitment, we will realize our shared goal of ensuring Ontario's families have access to safe, affordable and high-quality child care.

If you have any questions, please contact the Early Years Advisory Services Unit for policy clarifications and implementation supports at [Early Years Support Request](#) or your [Financial Analyst](#) for support related to funding allocations or financial reporting.

Sincerely,

Original signed by

Holly Moran
Assistant Deputy Minister
Early Years and Child Care Division
Ministry of Education

c: Early Years Advisors, Early Years Branch
Financial Analysts, Funding Branch

Attachments:

- Appendix A – 2024 Incremental CWELCC Allocations
- Professional Learning Funding Guidelines 2024
- 2024 Canada-wide Early Learning and Child Care Guidelines (Updated March 2024)
- Addendum to Ontario Child Care and EarlyON Child and Family Centres Service Management and Funding Guideline 2024: Updates to Value-For-Money Audit, and New Appendix F: Sample Attestation

Appendix A - 2024 Incremental CWELCC Allocations

| CMSM/DSSAB | Workforce Compensation Incremental | Professional Learning | Emerging Issues Incremental | Start-up Grants Incremental | Total 2024 Incremental CWELCC Allocation |
|---|---|------------------------------|------------------------------------|------------------------------------|---|
| Corporation of the City of Brantford | 304,199 | 164,189 | 158,201 | 623,000 | 1,249,589 |
| City of Cornwall | 190,892 | 102,024 | 72,919 | 441,000 | 806,835 |
| City of Greater Sudbury | 324,655 | 229,666 | 314,314 | 53,000 | 921,635 |
| The City of Hamilton | 2,245,328 | 723,958 | 865,363 | 1,749,500 | 5,584,149 |
| Corporation of the City of Kawartha Lakes | 89,960 | 74,082 | 65,345 | 360,700 | 590,087 |
| Corporation of the City of Kingston | 488,326 | 174,841 | 173,176 | 134,000 | 970,343 |
| Corporation of the City of London | 2,730,595 | 578,773 | 709,729 | 4,055,500 | 8,074,597 |
| City of Ottawa | 2,508,817 | 1,803,373 | 1,840,138 | 1,967,600 | 8,119,928 |
| Corporation of the City of Peterborough | 357,272 | 183,393 | 173,270 | 403,100 | 1,117,035 |
| Corporation of the City of St. Thomas | 423,253 | 84,156 | 99,073 | 473,600 | 1,080,082 |
| Corporation of the City of Stratford | 240,722 | 61,822 | 87,054 | 282,700 | 672,298 |
| City of Toronto | 5,263,642 | 4,180,116 | 5,680,663 | 22,737,500 | 37,861,921 |
| Corporation of the City of Windsor | 1,897,258 | 486,534 | 463,933 | 486,000 | 3,333,725 |
| Corporation of the County of Bruce | 174,626 | 72,907 | 88,865 | 1,046,700 | 1,383,098 |
| Corporation of the County of Dufferin | 214,144 | 88,623 | 97,062 | 587,400 | 987,229 |
| Corporation of the County of Grey | 245,326 | 118,866 | 90,468 | 146,800 | 601,460 |
| Corporation of the County of Hastings | 224,264 | 148,855 | 244,802 | 264,500 | 882,421 |
| Corporation of the County of Huron | 149,948 | 55,032 | 52,261 | 195,000 | 452,241 |
| Corporation of the County of Lambton | 497,558 | 129,844 | 159,549 | 375,900 | 1,162,851 |
| County of Lanark | 77,525 | 74,686 | 89,655 | 182,900 | 424,766 |
| County of Lennox & Addington | 92,444 | 47,585 | 55,717 | 629,000 | 824,746 |
| County of Northumberland | 105,184 | 68,897 | 74,300 | 145,000 | 393,381 |
| County of Oxford | 254,555 | 81,297 | 89,108 | 2,273,500 | 2,698,460 |
| County of Renfrew | 435,737 | 104,990 | 89,483 | 124,000 | 754,210 |
| County of Simcoe | 1,031,860 | 527,022 | 596,277 | 2,953,900 | 5,109,059 |
| County of Wellington | 679,825 | 257,829 | 355,825 | 2,504,900 | 3,798,379 |

| CMSM/DSSAB | Workforce Compensation Incremental | Professional Learning | Emerging Issues Incremental | Start-up Grants Incremental | Total 2024 Incremental CWELCC Allocation |
|--|---|------------------------------|------------------------------------|------------------------------------|---|
| District Municipality of Muskoka | 63,453 | 41,810 | 45,553 | 292,900 | 443,716 |
| Corporation of the Municipality of Chatham-Kent | 496,829 | 129,786 | 140,024 | 66,900 | 833,539 |
| The Corporation of Norfolk County | 387,025 | 93,269 | 78,304 | 340,100 | 898,698 |
| Regional Municipality of Durham | 1,935,070 | 1,120,425 | 1,083,942 | 212,000 | 4,351,437 |
| Regional Municipality of Halton | 3,016,857 | 964,001 | 1,541,353 | 0 | 5,522,211 |
| Regional Municipality of Niagara | 1,369,236 | 427,928 | 584,658 | 3,893,000 | 6,274,822 |
| Regional Municipality of Peel | 6,932,303 | 1,458,701 | 2,436,692 | 15,280,900 | 26,108,596 |
| Regional Municipality of Waterloo | 1,544,721 | 822,680 | 1,055,954 | 4,173,300 | 7,596,655 |
| Regional Municipality of York | 5,274,902 | 1,932,556 | 2,538,336 | 2,450,500 | 12,196,294 |
| United Counties of Leeds & Grenville | 227,704 | 115,818 | 92,914 | 743,000 | 1,179,436 |
| United Counties of Prescott & Russell | 133,039 | 119,212 | 120,653 | 26,000 | 398,904 |
| Algoma District Services Administration Board | 42,232 | 44,951 | 36,485 | 144,400 | 268,068 |
| District of Cochrane Social Service Administration Board | 370,681 | 84,335 | 86,381 | 235,500 | 776,897 |
| District of Nipissing Social Services Administration Board | 448,752 | 107,831 | 202,716 | 56,300 | 815,599 |
| District of Parry Sound Social Services Administration Board | 35,801 | 32,544 | 36,701 | 85,200 | 190,246 |
| District of Sault Ste Marie Social Services Administration Board | 179,109 | 91,596 | 132,893 | 170,500 | 574,098 |
| District of Timiskaming Social Services Administration Board | 33,787 | 57,712 | 30,489 | 30,000 | 151,988 |
| Kenora District Services Board | 22,338 | 57,416 | 65,317 | 1,387,800 | 1,532,871 |
| Manitoulin-Sudbury District Social Services Administration Board | 45,688 | 46,456 | 21,681 | 32,200 | 146,025 |
| Rainy River District Social Services Administration Board | 7,176 | 25,233 | 21,125 | 330,000 | 383,534 |
| District of Thunder Bay Social Services Administration Board | 185,385 | 102,381 | 111,278 | 193,000 | 592,044 |
| Provincial Total | 44,000,000 | 18,500,000 | 23,250,000 | 75,340,200 | 161,090,200 |