



January 20, 2017

Dear Child Care Licensee,

The Ministry of Education is pleased to announce the third year of the government's ongoing commitment to support a wage enhancement in the licensed child care sector. Providing high quality care for our children means recruiting and retaining the best possible Registered Early Childhood Educators (RECEs) and child care program staff. In doing so, parents can be confident in the quality of their child care programs and children can receive the best possible early learning experiences.

The provincial wage enhancement and Home Child Care Enhancement Grant (HCCEG) have a number of key goals:

- To close the wage gap between RECEs working in the publicly funded education system and those in the licensed child care sector;
- To help stabilize child care operators by supporting their ability to retain RECEs and non- RECE program staff; and
- To reduce poverty by supporting greater employment and income security.

These goals support the ministry's priorities to stabilize and transform the existing child care system to increase program reliability for parents, support children's learning and development through consistent, high quality child care services as well as support licensed home child care agencies and strengthen the licensed home child care system.

In order to meet these goals, the wage enhancement is an ongoing investment.

Consistent with the government's commitment, the 2017 provincial wage enhancement investments will continue to support a wage increase of up to \$2 per hour, plus 17.5 per cent benefits for eligible centre-based staff and home visitors. The HCCEG will support an increase of up to \$20 per day in 2017 for home child care providers.

In our continued effort to close the wage gap, effective January 2017 the hourly wage maximum will increase by approximately 1.5 per cent to align with adjustments to the school-based ECE salary grid stated in the current three year central labour agreement. The hourly wage enhancement wage maximum will be \$26.68 per hour and the daily fees maximum will be \$266.80 per day for full HCCEG or \$160.08 for partial HCCEG.

In addition, the ministry will continue to provide a supplemental grant of \$150 for each eligible centre based full time equivalent (FTE) staff or home visitor FTE and \$50 for each eligible home child care provider in 2017 to cover salary and benefit shortfalls. The information below provides licensed child care programs with information about the wage enhancement/HCCEG, such as who is eligible, how to apply and where to go if you have questions.

Eligibility for the Wage Enhancement

To be eligible to receive the 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 \$26.68 per hour, excluding the previous year'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)*.

Child care program positions that are in place to maintain lower adult-child ratios than required under the CCEYA, 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 \$24.69 and \$26.68 per hour, the position is eligible for a partial wage enhancement. The partial wage enhancement will increase the wage of the qualifying position to \$26.68 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 \$25.50 per hour, the position would be eligible for wage enhancement of \$1.18 per hour.

Eligibility for the Home Child Care Enhancement Grant

The HCCEG is available to licensed home child care agencies to support eligible home child care providers contracted with them. 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 (including privately placed children but excluding the 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 a day) and receive base daily fees, excluding the previous year's HCCEG, of less than \$246.80 (i.e. \$20 below the cap of \$266.80).

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 a day) and receive base daily fees, excluding the previous year's HCCEG, of less than \$150.08 (i.e. \$10 below the cap of \$160.08).

Application Process

As the designated child care service system managers, Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs) are responsible for administering the wage enhancement and HCCEG initiative in their communities.

Licensed child care operators and home child care agencies with eligible staff/providers may apply for wage enhancement/ HCCEG funding from their local CMSM or DSSAB. Licensees may apply regardless of their auspice (i.e. both non-profit and for-profit), participation in local quality initiatives, or current purchase of service status.

CMSMs and DSSABs will post information on the wage enhancement/HCCEG application process for licensed child care centres and home child care agencies on their public websites in early 2017 for a minimum of 45 days. **Please check their websites frequently to ensure you do not miss the deadline.**

Payments

Once funding is received, child care licensees should include wage enhancement or HCCEG payments in each paycheque or payment made to eligible positions.

Child care licensees will notify staff or home child care providers of the amount provided to them through this initiative on staff pay cheques/home child care provider fee transfers, or through a separate letter.

Administration Funding

We know that the success of the wage enhancement/HCCEG initiative is dependent on the dedication and efforts of service system managers and child care licensees. That is why the ministry will continue providing administrative funding to support the effort associated with implementing the initiative.

We encourage child care licensees, including home child care agencies, to contact their service system manager for more information on this funding.

Child Care Programs in First Nations Communities

As in previous years, licensees in First Nation communities do not need to apply to CMSMs/DSSABs for wage enhancement/HCCEG funding. First Nations will receive wage enhancement/ HCCEG allocations as part of their 2017-18 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 application forms directly to the Ministry of Education.

Further information about the wage enhancement/HCCEG

If you have any questions related to the child care wage enhancement/HCCEG funding please contact your service system manager. A listing is provided on the [ministry's website](http://www.edu.gov.on.ca/childcare/websiteservicemanagers.pdf): www.edu.gov.on.ca/childcare/websiteservicemanagers.pdf.

Thank you for your continued commitment to children and families in Ontario. We are working together to develop quality, affordable, accessible and flexible child care and early years system. I am confident that through our positive partnerships we are building a better future for Ontario's children.

Original signed by



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