

# **2023 Wage Enhancement Grant And Home Child Care Enhancement Grant**

Service Provider Guidelines  
Licensed Child Care Services

January 2023

District of Nipissing  
Social Services  
Administration Board



Conseil d'administration  
des services sociaux  
du district de Nipissing

## TABLE OF CONTENTS

PURPOSE .....	3
GOALS.....	3
ELIGIBILITY .....	3
WAGE ENHANCEMENT GRANT - CHILD CARE CENTRE PROGRAM STAFF AND HOME CHILD CARE VISITORS.....	4
FULL WAGE ENHANCEMENT GRANT (WEG) .....	4
PARTIAL WAGE ENHANCEMENT GRANT (WEG) .....	4
INELIGIBLE POSITIONS (NON-PROGRAM STAFF): .....	4
HOME CHILD CARE ENHANCEMENT GRANT (HCCEG) - HOME CHILD CARE PROVIDERS.....	5
FULL HOME CHILD CARE ENHANCEMENT GRANT (HCCEG).....	5
PARTIAL HOME CHILD CARE ENHANCEMENT GRANT (HCCEG) .....	5
ELIGIBLE EXPENSES .....	5
SUPPLEMENTAL GRANT.....	6
BENEFITS FUNDING AND FLEXIBILITY .....	6
PAYMENT TO ELIGIBLE STAFF .....	7
RECONCILIATION.....	8
WEG/HCCEG GRANT INQUIRIES.....	9

## PURPOSE

The Wage Enhancement Grant (WEG) will benefit program staff in the licensed child care sector, help retain registered early childhood educators (RECEs), and support access to stable, high-quality child care programs for children in Ontario. The WEG will also help close the wage gap between RECEs working in full-day kindergarten (FDK) programs and RECEs and program staff working in licensed child care settings.

In 2023, the WEG will support an increase of up to \$2 per hour, plus 17.5% benefits. In addition, the Home Child Care Enhancement Grant (HCCEG) will support an increase of up to \$20 per day for home child care providers.

## GOALS

The goals of the enhancement are to:

- Help close or narrow the wage gap between RECE wages in the education sector and licensed child care sectors;
- Stabilize licensed child care operators by helping them retain RECEs/child care staff; and
- Support greater employment and income security.

These goals support the ministry's priorities to:

- Stabilize and transform the existing child care system to increase program choice and reliability for parents and support consistent, higher quality child care services to support children's learning and development; and
- Support licensed home child care agencies and strengthen the licensed home child care system.

## ELIGIBILITY

All licensed child care centres and home child care agencies are eligible to apply for WEG/HCCEG funding, regardless of participation in the local quality initiatives, or current purchase of service status with DNSSAB.

Licensed centres or home child care agencies created in 2023 are eligible to apply for WEG or HCCEG in the year the program begins operations.

WEG cannot be used to meet minimum wage requirements. General Operating Funding, Pay Equity and One-Time Stability funding are not part of the WEG.

## WAGE ENHANCEMENT GRANT - CHILD CARE CENTRE PROGRAM STAFF AND HOME CHILD CARE VISITORS

### FULL WAGE ENHANCEMENT GRANT (WEG)

To be eligible to receive the full WEG of \$2 an hour plus 17.5% in benefits, staff must:

- Be employed in a licensed child care centre or agency;
- Have an associated base wage excluding prior year's WEG of \$26.60 or less per hour (i.e. \$2 or more below the wage cap of \$28.59); and
- Be in a position categorized as a child care supervisor, RECE, home child care visitor, or otherwise counted toward adult to child ratios under the Child Care and Early Years Act, 2014.

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 WEG.

### PARTIAL WAGE ENHANCEMENT GRANT (WEG)

Where an eligible centre-based or home visitor position has an associated base wage rate excluding year one's WEG between \$26.60 and \$28.59 per hour, the position is eligible for a partial WEG. The partial WEG will increase the wage of the qualifying position to \$28.59 per hour without exceeding the cap.

### INELIGIBLE POSITIONS (NON-PROGRAM STAFF):

- Cook, custodial and other non-program staff positions are not eligible for WEG.
- SNR/ISP - funded resource consultant and enhanced staff are not eligible for WEG.

- The only exception to the above is if the position spends at least 25% of their time to support ratio requirements; in which case the staff would be eligible for WEG for the hours worked in the eligible position supporting ratio.
- Staff hired through a third party (i.e. temp agency) are not eligible for WEG.

## HOME CHILD CARE ENHANCEMENT GRANT (HCCEG) - HOME CHILD CARE PROVIDERS

### FULL HOME CHILD CARE ENHANCEMENT GRANT (HCCEG)

In order to be eligible to receive the full HCCEG of \$20 per day, home child care providers must:

- Hold a contract with a licensed home child care agency;
- Provide services to one child or more (excluding the provider's own children);
- Provide full time services on average (6 hours or more a day); and
- Receive base daily fees excluding year one's HCCEG of less than \$265.90 (i.e. \$20 below the cap of \$285.90).

### PARTIAL HOME CHILD CARE ENHANCEMENT GRANT (HCCEG)

In order to be eligible to receive the partial HCCEG of \$10 per day, home child care providers must:

- Hold a contract with a licensed home child care agency;
- Provide services to one child or more (excluding providers own children);
- Provide part time services on average (less than 6 hours a day); and
- Receive base daily fees excluding year one's HCCEG of less than \$161.54 (i.e. \$10 below the cap of \$171.54).

### ELIGIBLE EXPENSES

WEG/HCCEG funding (including the supplemental grant) is an enveloped allocation. WEG/HCCEG funding must be directed solely to licensed child care staff and home visitors to increase wages and benefits, and to home child care providers to increase daily

income. WEG/HCCCEG cannot be used to support child care system expansion or reduce fees.

Service Providers may only use the funding for the intended purposes of:

- Increasing wages of eligible centre-based staff and home visitors by up to \$2 per hour plus 17.5% benefits based on their current wage rate for all hours worked in program, including overtime hours;

*Please note: the salary increase cannot exceed \$2 per hour in program and the wage cap of \$28.59 per hour. Licensees may exceed 17.5% for benefits if the supplemental grant is used to support additional benefit expenses.*

- Providing a daily increase of up to \$20 for eligible licensed home child care providers based on current hours of service provided.

*Please note: the daily wage increase cannot exceed \$20.00 and the daily cap of \$285.90.*

## SUPPLEMENTAL GRANT

An additional supplemental grant of \$150 for each eligible centre-based FTE or home visitor FTE and \$50 for each eligible home child care provider. The supplemental grant allows licensees some flexibility to provide and implement WEG/HCCCEG in a way that aligns with their regular operations.

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

It provides licensees with the flexibility to cover salary shortfalls (due to increased hours in program or new staff/providers) and additional benefits, (e.g. vacation days, sick days, PD days and/or other benefits) once mandatory benefits are covered.

Any funding that is not used for these purposes will be recovered.

## BENEFITS FUNDING AND FLEXIBILITY

Benefits of 17.5% support licensees in meeting their statutory benefit requirements. Once all statutory benefits requirements are met (including up to 2 weeks of vacation and 9

statutory days), any remaining funding within 17.5% can be used to fund other benefit expenses paid by the employer on behalf of the employee.

Any residual benefits funding can be used to support WEG salaries per the above allowable expenses. Please note this is one-way funding flexibility only, that is, salary funding cannot be used for benefits.

Supplemental grant provides licensees with the flexibility to cover additional benefits, (e.g. vacation days, sick days, PD days and/or other benefits) once mandatory benefits are covered.

## PAYMENT TO ELIGIBLE STAFF

Service Providers must clearly indicate on staff pay cheques and home child care provider fee transfers the portion of funding that is being provided through the WEG/HCCCEG labeled as follows:

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

WEG/HCCCEG entitlements are based on 2022 data or a comparable year (for licensees that open in the current year, estimated number of hours to be worked); however, WEG payments should be provided to eligible positions for each hour worked in 2023. Licensees have the flexibility to fund their current year's eligible positions, even if the position did not exist in 2022.

Similarly, HCCCEG payments should be provided to eligible home child care providers for each day worked in 2023. Agencies have the flexibility to fund current year eligible home child care providers, regardless of whether the provider had a contract with the agency in 2022.

The compensation rate (partial or full) will be based on the program staff's or home child care provider's current year of hours worked.

DNSSAB may begin flowing funds to Service Providers for the WEG/HCCCEG as soon as the WEG/HCCCEG information has been received to calculate the entitlement for centres and home child care agencies. WEG/HCCCEG funds will be flowed on a monthly basis.

The Service Provider is responsible to distribute the WEG/HCCCEG to Eligible Program Staff and/or Eligible Non-Program Staff and/or Eligible Home Child Care Providers, in accordance with the Agency's regular pay schedule.

Since one of the goals of this initiative is to close the wage gap, if an eligible staff member or home child care provider receives an increase to their hourly wage or daily fee and exceeds the wage cap in 2023, they are no longer eligible to receive funding through this initiative.

## RECONCILIATION

Service Providers may only use wage enhancement grant funds for the intended purpose per the 2023 funding guidelines.

It is the responsibility of the Service Providers to ensure the funding is distributed only to eligible staff in accordance with the WEG/HCCCEG agreement, policies and guidelines.

On an annual basis, the Service Providers are required to reconcile the WEG/HCCCEG entitlements with actual expenditures, in the prescribed format provided by DNSSAB. In addition to this process, DNSSAB will conduct random financial compliance audits to ensure accountability and confirm compliance with the WEG/HCCCEG agreement, policies and guidelines.

Any unused or misused funds shall be recovered DNSSAB. Additionally, non-compliant Service Providers may be deemed ineligible to receive future WEG/HCCCEG.



## WEG/HCCEG GRANT INQUIRIES


Licensed child care program staff and Home child care providers inquiring about the WEG/HCCEG must complete the “Wage Enhancement Grant Inquiry Form” available on the [DNSSAB Website](#) to ensure adequate and appropriate follow-up.

Questions or inquiries about the WEG/HCCEG should be addressed to:

District of Nipissing Social Services Administration Board

Attention: Children’s Services Department, Finance and Data Coordination Team

Email: [csfundingrequest@dnssab.ca](mailto:csfundingrequest@dnssab.ca)



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