

## 2024 Canada-Wide Early Learning and Child Care (CWELCC) Questions and Answers (Q&As) for Licensed Child Care Providers June 24, 2024

This Q&A document reflects questions on the 2024 CWELCC Funding. Refer to the [2024 CWELCC Funding Guideline](#) (released June 3) for centre-based providers and licensed home child care agencies for more information.

**UPDATE:** This Q&A has been updated to include new questions which were raised at Peel’s EYCC Funding Teleconference held on June 6, 2024.

### Don’t see your question?

Email us at [EarlyYearsSystemDivision@peelregion.ca](mailto:EarlyYearsSystemDivision@peelregion.ca) or contact your Early Years Specialist.

### Contents

2024 CWELCC Funding Flexibility - Updated .....	1
2024 Workforce Compensation Funding (WCF) - Updated .....	2
Minimum Wage Offset (MWO) .....	5
Cost Escalation Funding .....	5
CWELCC Fee Reduction Funding .....	6
Additional Topics .....	7
APPENDIX: WCF ELIGIBILITY EXAMPLES .....	8

## 2024 CWELCC Funding Flexibility - Updated

### 1. Why did Peel remove the funding flexibility between CWELCC budget categories?

- This decision is based on our further review that every agency may not have equal access to surplus funding. Some agencies may have more surplus in Fee Reduction and Workforce Compensation Funding than other agencies.
- We have updated Section 4 of the 2024 CWELCC Guideline released June 3, 2024 to remove the funding flexibility between the Cost Escalation budget category and CWELCC Fee Reduction and Workforce Compensation Funding.
  - This means you cannot use unspent Fee Reduction or Workforce Compensation Funding (WCF) to support Cost Escalation expenses. You must spend within your awarded budget in GovGrants for Cost Escalation.
- We recommend you use the Planning Tool shared with you so you can plan how to use your CWELCC funding.

## 2. What if I have a shortfall in either my fee reduction or Workforce Compensation Funding allocation?

- You should first attempt to address allocation shortfall by using the flexibility allowed between the CWELCC Fee Reduction and Workforce Compensation Funding budget categories, (Section 4 of the 2024 CWELCC Guideline).
- If the projected shortfall exceeds the Fee Reduction and Workforce Compensation Funding allocation, please email us with the subject line “CWELCC Funding Request” at [EarlyYearsSystemDivision@peelregion.ca](mailto:EarlyYearsSystemDivision@peelregion.ca).

## 3. Will there be changes to my CWELCC allocation?

- Fee Reduction allocations are based on licensed capacity. We will conduct a mid-year review of these allocations to ensure they align with your operating capacity. This may result in an adjustment in allocation. We will work directly with agencies who are impacted.

## 2024 Workforce Compensation Funding (WCF) - Updated

### 4. Is the WCF wage ceiling a wage cap?

- The WCF wage ceiling is not a wage cap. You can choose to pay RECE wages above the ceiling with your revenue. The WCF wage ceiling is the maximum wage that can be reached using workforce compensation funding for the given year.

### 5. If we gave a merit increase during the year, should we reassess the staff base wage when calculating the WCF wage increase?

- No, you must use the staff base wage as of January 1, 2024 to assess if staff are eligible for the WCF wage increase.
- You do not need to reassess eligibility if an employer merit raise occurs during the year.

### 6. When should I apply GOF, Historical Allocation, Pay Equity in the order of operations ?

- Do not include General Operating Fund (GOF) wage enhancements in the calculation of the staff base wage and WCF wage increases.
- GOF payments such as GOF-SWB, Historical Allocation or Pay Equity should be added to staff wage **after** you applied the WCF wage increases.

Note: Refer to pages 10-13 of the 2024 CWELCC Guideline for information on the WCF order of operations.

Refer to Appendix 5 of the CWELCC Guideline and the Appendix of this Q&A document for more examples of how to apply WCF to the base wage.

### 7. Is the WCF retroactive to January 1, 2024?

- Yes, you are required to issue the wage increase and the wage floor to eligible staff retroactive to January 1, 2024.
- Refer to the 2024 CWELCC Guideline for more information on how to issue the WCF retroactive payment.

## 8. Do we need to issue the retroactive WCF payment to staff who have left employment?

- Yes, while we acknowledge this requires additional administration, eligible staff who left you should make your best effort to contact and pay staff who have left and provide them the pay for the WCF retroactive to January 1, 2024.

## 9. Can staff currently on leave (e.g. parental) be eligible to receive WCF retroactive payment?

- Staff that are employed and have hours worked between January and June 2024 are eligible to receive the WCF retroactive payment.
  - Example, if a staff working in the centre began maternity leave on May 1, 2024 and are considered employed with the agency during their leave, they would be eligible for the hours paid between January 1 to April 30, 2024.
- We encourage you to talk to staff about the financial impacts for them during their leave.

## 10. How do we reflect the benefit expenses in the WCF planning tool?

- Your WCF includes funding for up to 17.5% in benefits to help you meet the statutory benefit requirements mandated by law that are associated with the WCF.
- This means statutory mandatory benefits, such as vacation and statutory days should be counted as “benefits” in the planning tool, not as “program hours worked”.
  - First, you must use your 17.5% WCF to meet all the **statutory benefit requirements**.
  - Then, you may use any remaining funding **within the 17.5%** to support other incremental costs to **existing benefits** that you (as employer) provide on behalf of the employee (such as already supported vacation or personal days, paid sick time, as outlined in your human resources policy).
  - You cannot use more than 17.5% of your WCF on benefits.

Note: Refer to 2024 CWELCC Guideline for more information on Benefits and WCF. You will find the definition of Statutory Benefits in Appendix 1 in the CWELCC Guideline.

We encourage you to use the Planning Tool shared with you to help calculate WCF and the associated benefits. As well, we have developed an Instructional Video to demonstrate how to calculate the benefits associated with the WCF wage increases.

## 11. Should benefits be issued retroactively?

- You are required to issue benefits associated with the incremental WCF wage increases, retroactive to January 1, 2024.
- You can pay out or accrue the benefits to staff “as a benefit payment (i.e. vacation, statutory holiday)” if this benefit amount associated with the WCF increase is not automatically paid in the payroll or accrued when the retroactive payment is paid. You cannot use more than 17.5% of your WCF on benefits.

Example: Your staff took one week vacation between January to June 2024, which accounts to 35 hours of vacation time. In the planning tool, those hours should be counted in the “benefits hours” column so that the retroactive benefits associated with the new wage increases are reflected. You must either pay out or accrue the benefit hours to staff associated with the WCF retroactive payment, you cannot do both.

Note: We encourage you to use the WCF Planning Tool to calculate the benefits owed to staff as a result of the new wage increases. As well, we have developed an Instructional Video to demonstrate how to calculate the benefits associated with the WCF wage increases.

**12. Do we need to include a new notation on paystubs for the retroactive payment to staff?**

- If you receive WCF, you are required to have a “CWELCC” notation on staff paystubs.
- Continue to use the “CWELCC” notation that should be on your staff paystubs with the associated amounts payable to staff when you are issuing the retroactive payments.
- As a reminder, each staff enhancement program has a different payroll notation:
  - WCF: “CWELCC” notation
  - WEG: “Provincial Child Care Wage Enhancement Grant” notation
  - GOF: “General Operating Fund” notation

**13. Does the WCF Peel Region Staff Memo need to be sent to all staff?**

- No, the requirement is to share the Peel Region Staff Memo with eligible staff before June 30, 2024 so that they are aware of the provincial changes to the WCF wage floor and wage ceiling.
- You must also share this memo with new eligible staff as they are hired.
- Child care providers newly enrolled into CWELCC must share this memo with eligible staff within 30 days of receiving their CWELCC announcement.

**14. Does the WCF wage increase and the wage floor apply to supply staff?**

- Yes, the wage increase and wage floor apply to RECE program staff, RECE supervisors and RECE home visitors as long as they are employed by the agency and receive a T4.
- Staff hired through a third party (such as a temp agency) do not qualify.
- SNR resource teachers/consultants and supplemental staff are not eligible.

Refer to the 2024 CWELCC Guideline Section 6 for the list of ineligible staff.

**15. Do assistant supervisors qualify for the RECE supervisor wage floor or wage ceiling?**

- No, assistant supervisors do not qualify for the RECE supervisor wage floor.
- However, assistant supervisors who have a RECE designation and spend at least 25% of their time supporting CCEYA ratio requirements would qualify for the RECE program staff wage ceiling and/or the RECE program staff wage floor for hours worked in program only. This is in alignment with WEG.

Note: Supervisors are only those listed as supervisors on the licence (O. Reg. 137/15 s. 53).

**16. If WCF is only for RECE, but not Montessori or others, can we use our revenues to pay these wages and give annual wage increases in line with WCF?**

- It is a provincial requirement that only staff with a RECE designation are eligible for the WCF. We understand that you need to make the decisions that are right for your business.
- Before you make decisions on staff compensation, we encourage you to ensure you can maintain the increase and that the increase is reasonable and in alignment with the Ministry annual inflation increases.

**17. Does the RECE wage increase and/or the wage floor include staff currently enrolled in an ECE diploma or degree?**

- No, only registered members in good standing with the College of Early Childhood Educators (CECE) qualify for this funding.
- Staff currently enrolled in an ECE diploma or degree may only qualify for the wage increase and/or floor once they are a registered member with the CECE.

**18. Does WCF help with wage compression (gap between senior and new staff)?**

- No, WCF is specific to the components of the funding: RECE wage increase, RECE wage floor and minimum wage offset.

**19. We have staff who earned early childhood credentials in another province. Would they qualify for the WCF?**

- To be eligible to receive the WCF, staff must be registered with the Ontario College of Early Childhood Educators. Staff who have earned credentials from another province should contact the [College of ECEs](#) to determine if there's a pathway to become registered in Ontario.

## Minimum Wage Offset (MWO)

**20. Is there an example of how to calculate Minimum Wage Offset (MWO)?**

- Yes, examples of how to calculate MWO can be found in the WCF section of the 2024 CWELCC Funding Guideline.
- We encourage you to use the Planning Tool shared with you by email and found on our website to support your planning and tracking of expenses for MWO.

**21. Can I use MWO to cover 2022 minimum wage increases?**

- Yes, you can cover the 2022 minimum wage increase (effective October 1, 2022) if you reported expenses for positions that qualified for MWO that year.

**22. Do we need to have a notation/separate line item in the staff pay stub to show MWO?**

- MWO is an offset given to eligible service providers for compensation expenses incurred due to provincial increases in minimum wage. It is not a wage enhancement that is directly paid to staff and should not appear in pay stubs.

## Cost Escalation Funding

**23. Does the Cost Escalation funding replace the 2023 Transition Operating Grant?**

- In 2023 Cost Escalation funding was under Part A of the 2023 TOG.
- In 2024, CWELCC Cost Escalation funding has been separated from TOG and only supports CWELCC-eligible children.
- The 2024 TOG includes funding for administration to support EYCC reporting and reconciliation requirements, as well as eligible Special Purpose expenses and other operating expenses. This funding supports 0-12 programs.
- Please refer to the TOG Guideline released in May 2024 for more information.

**24. Can Cost Escalation funding be used to support cost of living increases? Are notations on pay stubs required?**

- Yes, this funding can be used to support reasonable cost-of-living increases for child care staff who support CWELCC-eligible children.
- Notations on staff pay stubs are not required for cost-of-living increases as this becomes part of the staff base wage.

**25. Can the Cost Escalation funding be used to cover the provincial minimum wage increase planned to take effect in October 2024?**

- Yes, you may use your cost escalation funding to offset the minimum wage increase to take effect in October 2024.

**26. Can we give a cost-of-living increase to non-RECEs only since RECEs are given enhancements through Workforce Compensation Funding (WCF)?**

- Cost-of-living increases should be given equitably and transparently to all child care staff according to your compensation framework and HR policies. We encourage you to obtain legal advice as appropriate.
- WCF must be given to RECEs in **addition** to all planned compensation increases. It cannot be used to reduce or offset planned merit or salary increases or inform compensation decisions.

**27. Are Cost Escalation funding allocations based on licensed or alternate capacity?**

- Cost Escalation funding allocations are based on licensed capacity. This is based on direction received in the Ministry of Education's guideline and aligns with how Peel was funded for cost escalation.

**28. Can we use the 7.45% to increase the home child care provider payment to support the increased cost of delivering child care?**

- While Peel Region is providing cost escalation funding of 7.45% to support non-discretionary cost increases to child care centres and home child care agencies, the Ministry is supporting 4.91% in cost escalation funding.
- We recommend that agencies may increase their home provider rates using 4.91% as part of their regular pay increase. The incremental difference from 7.45% may be given as top up (one-time) as this amount is not guaranteed with the introduction of the new CWELCC funding formula.

## CWELCC Fee Reduction Funding

**29. What are my approved base fees?**

- Your approved base fees are your market rates, less any non-base items as indicated in your letter from Peel Region. Example, if your approved base fee in your letter was \$100, you would reduce this amount by 52.75% so the family would pay \$47.25/day. Your CWELCC funding would cover the \$52.75/day.
- Refer to Appendix in the 2024 CWELCC Funding Guideline for a list of examples of base fees and non-base fees.

### **30. When must we reduce base fees by 52.75% for families?**

- When you received your CWELCC Fee Reduction allocation, this funding should be immediately used to reduce base fees to families. Please note this allocation does not include children in receipt of child care subsidy. You will receive your child care subsidy funding separately. The methodology to calculate your allocation is in the appendix of the 2024 CWELCC Funding Guideline.

### **31. When families who are receiving child care subsidy exceed their absent day allowance, should we would apply the CWELCC fee reduction of 52.75% to the fees charged?**

- Based on the child care subsidy policy for absent days (as per the Service Provider Handbook), families in receipt of subsidy are given an “absent day allowance”.
- When a family runs out of absence days, any remaining absent days for the year would be charged the same way as full fee families.
- The family would pay the full fee reduced by 52.75%. Any parent fee already collected for that day would contribute towards the remaining amount that the parent has to pay.

## **Additional Topics**

### **32. If I want to opt out of CWELCC, how will that affect my current EYCC Agreement with Peel Region? What implications and requirements should I be aware?**

- You can decide to opt-out from the CWELCC program at any time. If you would like to opt out of CWELCC contact your EYS to discuss the next steps. You must:
  - Give Peel Region at least 60 business days notice per your EYCC Agreement.
  - Communicate this decision to your families and staff at least 30 calendar days before your effective termination date.
- Upon opting out of CWELCC:
  - You must return any applicable CWELCC funding issued to you by Peel Region which was not spent. Note: this includes CWELCC funding provided for the period that you are no longer participating.
  - You will be responsible for reconciling all CWELCC funds. Any CWELCC funds received after the opt-out date will be recovered by Peel.
- If you withdraw from CWELCC and want to rejoin the program at a later date, you will be required to submit a CWELCC Expansion Application form and will be subject to the requirements outlined in Peel’s [CWELCC Multi-Year Expansion Plan](#) found on our [website](#). This includes provincial auspice targets.
- CWELCC funding for fee reduction, wage compensation, cost escalation, emerging issues funding, as well as Workforce Innovation Fund (WIF) will stop as of the withdrawal date. Your 2024 funding for WEG, GOF, TOG, and EPS will continue to December 31, 2024.

**Note:** At this time, we are unable to confirm the 2025 funding impacts of withdrawing from the CWELCC program as we are waiting for the Ministry to release details on the new CWELCC funding formula and our EYCC budget. Once we receive the details, we will share information on the impact to our funding allocations, EYCC budget and Peel’s child care sector priorities so providers can make an informed decision about their participation in CWELCC. We are committed to work with the sector to support their viability under the new funding formula.



## APPENDIX: WCF ELIGIBILITY EXAMPLES

Table 1: RECE Program Staff Examples

RECE program staff who make a base wage of \$20.00 or more, will not qualify for the wage floor at **\$23.86**. RECE program staff who make a base wage of \$22.00 or more, will hit the wage ceiling of **\$26/hour**.

Example	Step 1: 2024 Hourly Base Wage (employer paid as of January 1, 2024)	Step 2: Hourly WEG	Step 3: 2024 Base Wage + WEG	Step 4: 2024 WCF Wage Increase	Step 5: Hourly wage with 2024 WCF Wage Increase	Step 6: 2024 WCF Wage Floor (incremental amount)	2024 Total Wage per Hour
1	\$16.55 (current minimum wage)	\$2.00	\$18.55	\$2.00	\$20.55	\$3.31	\$23.86
2	\$17.00	\$2.00	\$19.00	\$2.00	\$21.00	\$2.86	\$23.86
3	\$17.20 (minimum wage increase for Oct 2024)	\$2.00	\$19.20	\$2.00	\$21.20	\$2.66	\$23.86
4	\$17.50	\$2.00	\$19.50	\$2.00	\$21.50	\$2.36	\$23.86
5	\$18.00	\$2.00	\$20.00	\$2.00	\$22.00	\$1.86	\$23.86
6	\$18.50	\$2.00	\$20.50	\$2.00	\$22.50	\$1.36	\$23.86
7	\$19.00	\$2.00	\$21.00	\$2.00	\$23.00	\$0.86	\$23.86
8	\$19.50	\$2.00	\$21.50	\$2.00	\$23.50	\$0.36	\$23.86
9	<b>\$20.00</b>	\$2.00	\$22.00	\$2.00	\$24.00	<b>\$0.00</b>	<b>\$24.00</b>
10	\$20.50	\$2.00	\$22.50	\$2.00	\$24.50	<b>\$0.00</b>	\$24.50
11	\$21.00	\$2.00	\$23.00	\$2.00	\$25.00	<b>\$0.00</b>	\$25.00
12	\$21.50	\$2.00	\$23.50	\$2.00	\$25.50	<b>\$0.00</b>	\$25.50
13	<b>\$22.00</b>	\$2.00	\$24.00	\$2.00	<b>\$26.00</b>	<b>\$0.00</b>	<b>\$26.00</b>
14	\$22.50	\$2.00	\$24.50	\$1.50	<b>\$26.00</b>	<b>\$0.00</b>	<b>\$26.00</b>
14	\$23.00	\$2.00	\$25.00	\$1.00	<b>\$26.00</b>	<b>\$0.00</b>	<b>\$26.00</b>
15	\$23.50	\$2.00	\$25.50	\$0.50	<b>\$26.00</b>	<b>\$0.00</b>	<b>\$26.00</b>



**Table 2: RECE Supervisors and Home Visitors Examples**

RECE Supervisors and Home Visitors who make a base wage of \$21.00 or more, will not qualify for the wage floor increase at **\$24.86**. RECE Supervisors and Home Visitors who make a base wage of \$25.00 or more, will hit the wage ceiling of **\$29/hour**.

Example	Step 1: 2024 Hourly Base Wage (employer paid as of January 1, 2024)	Step 2: Hourly WEG	Step 3: 2024 Base Wage + WEG	Step 4: 2024 WCF Wage Increase	Step 5: Hourly wage with 2024 WCF Wage Increase	Step 6: 2024 WCF Wage Floor (incremental amount)	2024 Total Wage per Hour
1	\$16.55	\$2.00	\$18.55	\$2.00	\$20.55	\$4.31	\$24.86
2	\$17.00	\$2.00	\$19.00	\$2.00	\$21.00	\$3.86	\$24.86
3	\$17.20	\$2.00	\$19.20	\$2.00	\$21.20	\$3.66	\$24.86
4	\$17.50	\$2.00	\$19.50	\$2.00	\$21.50	\$3.36	\$24.86
5	\$18.00	\$2.00	\$20.00	\$2.00	\$22.00	\$2.86	\$24.86
6	\$18.50	\$2.00	\$20.50	\$2.00	\$22.50	\$2.36	\$24.86
7	\$19.00	\$2.00	\$21.00	\$2.00	\$23.00	\$1.86	\$24.86
8	\$19.50	\$2.00	\$21.50	\$2.00	\$23.50	\$1.36	\$24.86
9	\$20.00	\$2.00	\$22.00	\$2.00	\$24.00	\$0.86	\$24.86
10	\$20.50	\$2.00	\$22.50	\$2.00	\$24.50	\$0.36	\$24.86
11	<b>\$21.00</b>	\$2.00	\$23.00	\$2.00	<b>\$25.00</b>	<b>\$0.00</b>	<b>\$25.00</b>
12	\$21.50	\$2.00	\$23.50	\$2.00	\$25.50	<b>\$0.00</b>	\$25.50
13	\$22.00	\$2.00	\$24.00	\$2.00	\$26.00	<b>\$0.00</b>	\$26.00
14	\$22.50	\$2.00	\$24.50	\$2.00	\$26.50	<b>\$0.00</b>	\$26.50
15	\$23.00	\$2.00	\$25.00	\$2.00	\$27.00	<b>\$0.00</b>	\$27.00
16	\$23.50	\$2.00	\$25.50	\$2.00	\$27.50	<b>\$0.00</b>	\$27.50
17	\$24.00	\$2.00	\$26.00	\$2.00	\$28.00	<b>\$0.00</b>	\$28.00
18	\$24.50	\$2.00	\$26.50	\$2.00	\$28.50	<b>\$0.00</b>	\$28.50
19	<b>\$25.00</b>	\$2.00	\$27.00	\$2.00	<b>\$29.00</b>	<b>\$0.00</b>	<b>\$29.00</b>
20	<b>\$25.50</b>	\$2.00	\$27.50	\$1.50	<b>\$29.00</b>	<b>\$0.00</b>	\$29.00