

2025 Canada-wide early learning and child care (CWELCC) funding guideline

Peel centre-based licensed child care providers



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Section 1: Overview

The [Canada-Wide Early Learning and Child Care Agreement \(CWELCC\)](#) aims to make child care more affordable and improve workforce compensation so families have access to high-quality licensed child care.

Starting January 1, 2025, the Ministry of Education's (Ministry) new CWELCC cost-based funding takes effect. This means that in 2025, CWELCC providers will be supported for eligible costs up to their program cost allocation for the delivery of child care for children younger than 6 years of age.

For details on the new funding, requirements and your obligations for 2025, review this guideline, the [Ministry's cost-based funding guideline](#), the Early Years and Child Care (EYCC) [Service Provider Handbook](#), and your Early Years and Child Care (EYCC) Funding Agreement. Additional resources are on our [website](#).



This guideline is subject to provincial changes.

We do not have the Ministry's financial reporting template yet. We will update this guideline to reflect changes to provincial rules as needed.

Note: See [Appendix 1](#) for the key terms used in this guideline.

Section 2: Who Qualifies?

2.1 General

To qualify for 2025 CWELCC Funding, you must:

- Be licensed to operate a child care centre(s) approved by Peel to participate in the CWELCC program.
- Have a signed 2025 Early Years and Child Care (EYCC) Funding Agreement.
- Demonstrate (new providers) and maintain (all providers) financial viability.

- Provide your Audited Financial Statement and accompanying Financial Annual Information Return (FAIR) annually.¹
- Report your enrollment data and operating capacity in the Ontario Child Care Management System (OCCMS) monthly.
- Complete the Ministry's Annual Licensed Child Care Operations Survey. If you do not, your CWELCC funding will be put on hold.
- Comply with all CWELCC program, policies, financial, contract, and system planning data reporting requirements in the EYCC Service Provider Handbook, this guideline, and our financial policies. You must report on time as per Peel's Compliance Policy.

Refer to the [EYCC Service Provider Handbook](#) to learn about:

- Requirements and funding implications of opting out of CWELCC.
- Impacts to your CWELCC funding and specific requirements resulting from sales, transfers, and acquisitions of child care businesses.
- Authentic participation requirements.

2.2 2025 Legacy Top-up Eligibility

To qualify for the 2025 legacy top-up, in addition to the [general eligibility](#) requirements:

- You must be a legacy centre (see [Appendix 1: Key terms](#)):
 - Be enrolled in CWELCC in Peel before August 15, 2024; or have applied to CWELCC by that date and be approved to participate in CWELCC for spaces existing as of December 31, 2024.
 - Have continuously participated in CWELCC since your date of enrollment/application.
- Your eligible costs must exceed your adjusted benchmark allocations.
- To help us assess your eligibility and finalize your legacy top-up amount, you must submit the following documents by the deadline communicated:
 - Completed 2025 legacy data spreadsheet.

¹ Unless you were approved for an extension/exemption in 2024, as of January 1, 2025, you must have a December fiscal year-end and provide calendar year (January to December) audited financial statements.

- Completed 2024 staff wage data (workforce supplementary schedule).
- Proof of your 2025 fixed costs, such as a copy of your lease or rent receipts.
- Completed 2025 operating budget. A template will be provided in early January 2025.
- Any other documentation requested by the Region.

2.3 2025 Growth Top-up Eligibility

To qualify for the 2025 growth top-up, in addition to the [general eligibility](#) requirements:

- You must be a new child care centre or an existing centre that expands with new licensed spaces approved to participate in CWELCC through [Peel's expansion application](#).
- The new centre/spaces must become licensed and start operations in 2025.

Section 3: Funding Components, Flexibility, and Budget Management

Important information about your funding in 2025

Your CWELCC funding is not final until the end-of-year reconciliation. This means that at the end of the year, your CWELCC funding will be compared to your actual program costs and fees you collected from eligible families at CWELCC approved centres during the calendar year.

Your actual program costs cannot exceed your program cost allocation, and any unspent funding will be recovered. In-year reconciliations may be required to avoid the recovery of significant overpayments at the end of the year.

Refer to [Section 8: Cost eligibility](#) and [Section 9: Accountability requirements](#) for details.

3.1 Funding Components

In 2025, CWELCC cost-based funding includes the following components: program cost allocation; amount in lieu of profit or surplus; and base-fee revenue offset.

See [Appendix 2](#) to understand how your 2025 CWELCC allocation was calculated.

Program Cost Allocation

This amount covers eligible costs of providing child care services included in your base fee to CWELCC eligible children. It is made up of the following estimated amounts:

- a) **Benchmark allocation:** Helps cover typical costs of providing child care adjusted by Peel's Geographic Adjustment Factor (GAF). It includes program staff, supervisor, accommodations, and operations.
- b) **Legacy top-up (if applicable):** helps you keep your cost structure if your eligible legacy costs are higher than your benchmark allocations.
- c) **Growth top-up:** Supports costs for adding new expansion-approved spaces.

At reconciliation, your program cost allocation will be compared to your [actual program costs](#) and actual base fee revenue:

- If your program cost allocation is more than your actual program costs, any unspent funding will be recovered. More information about the reconciliation process will be shared later in 2025.
- Your actual program costs cannot exceed your program cost allocation. If your actual program costs are higher than your program cost allocation, your program cost allocation stays the same.

See Section 8: Using your funding to support eligible costs to learn more about eligible and ineligible costs under the CWELCC cost-based funding.

Amount in Lieu of Profit or Surplus

Amount in lieu of profit or surplus is the allowable profit (commercial) or surplus (non-profit) that will be funded under the CWELCC program. Please note that:

- If your actual program costs at reconciliation are less than your program cost allocation, your amount in lieu of profit or surplus will be recalculated using your actual program costs.
- Commercial providers can use this amount in any way they see fit.
- Non-profit providers can reinvest this amount into their child care program based on their organization's by-laws/direction.

Base Fee Revenue Offset

This is the portion of your base fees that families and/or the child care subsidy program continue to pay for CWELCC eligible children. Since this amount is used to offset the costs of delivering the services included in your base fees, your cost-based funding **is reduced** by this amount, as you are already collecting this revenue from families.

This amount:

- Includes your estimated base fees. Base fees include your daily fees, registration fees, and any other mandatory fees you charge according to your Parent Handbook.
- Excludes other revenue such as donations, fundraising (not mandatory for families), interest income, and other non-base fee revenue.
- Is consistent with the number of operating spaces and service days used to calculate your benchmark allocation.

See [Appendix 3](#) for examples of base fees and non-base fees for more information.

To calculate your cost-based funding allocation in 2025, we will use your expected base fee revenue offset, which is a result of multiplying your estimated base fee revenue offset by 0.90 to account for vacancies.

In Peel, your estimated base fee offset is calculated using your daily fees only.

We did not factor estimated revenue from registration fees or other mandatory fees as we recommend that providers do not charge these fees beginning in 2025. Any mandatory fees charged to families will reduce your CWELCC funding. See [Section 4.2](#): Other mandatory fees for more information.

At reconciliation, your actual base revenue offset is the greater of:

- The base fee revenue you earned for CWELCC eligible children during the calendar year.
- Your expected base fee revenue offset, which is the amount noted in the “estimated base fee offset” GovGrants budget category.

This is why it is important that you keep separate track of your base fee and your non-base fee revenue.

3.2 Your CWELCC Funding in GovGrants

In 2025, you will receive your CWELCC funding through 2 GovGrants funding announcements:

1. 2025 CWELCC Cost-Based funding
2. 2025 CWELCC Allocation in Lieu of Profit/Surplus

2025 CWELCC Cost-based Funding Announcement

Your 2025 CWELCC cost-based funding announcement includes your program cost allocation and base fee offset, using the following budget categories:

- Program staffing
- Supervisor
- Accommodations
- Operating - fixed
- Operating - variable
- Legacy top-up (if eligible)
- Growth top-up (if eligible)
- Expected base fee revenue offset (which is a negative number)
- Other

2025 CWELCC Allocation in Lieu of Profit or Surplus Announcement

This announcement only includes the amount in lieu of profit/surplus budget category.

3.3 Funding Flexibility

Your CWELCC funding is flexible, which allows you to use it based on the operational needs of your CWELCC program. This flexibility can be used fully once you meet the funding conditions outlined in [Section 3.6: Things you must do if you participate in CWELCC](#) of this guideline.

Your eligible costs do not have to align with individual benchmark allocations. You can use your program cost allocation to cover any eligible expenses based on the operational needs of your CWELCC program.

3.4 Surplus and Shortfall (Budget Management)

We encourage you to regularly review your CWELCC budget. Use the 2025 operating budget template once available in early January 2025 to help with your planning. As you implement your budget, you may face one of the following situations:

A. Balanced Budget

If you plan on fully spending your funding on eligible costs without any shortfalls, no action is required.

B. Surplus

If your funding exceeds your planned eligible program costs for the calendar year you can:

- Request a funding reduction to avoid a significant recovery by emailing us with the subject line “CWELCC Funding Reduction” at EarlyYearsSystemDivision@peelregion.ca and copy your Early Years Specialist (EYS).
- Consider using the surplus for eligible costs that are appropriate, attributable, and reasonable, such as quality improvements. Excess funding will be recovered and returned to the Ministry.

C. Shortfall

If you anticipate a shortfall, please note that your funding amounts in GovGrants as of January 1, 2025 are estimates and will be updated as follows:

- Spring 2025: your allocation will be adjusted based on the updated data from your 2025 Legacy Worksheet and Workforce Supplementary Schedule. This will include a review and potential adjustment of your 0-6 Enhanced Program Support (EPS) funding.
- If after this update, you still face a funding shortfall, email us with the subject line “CWELCC Funding Request” at EarlyYearsSystemDivision@peelregion.ca copying your EYS. We will review the data used to calculate your allocation and assess whether an adjustment is needed (for example, if your operating capacity increases).
- Fall 2025: we will review operating capacity trends and make further adjustments to reflect significant changes in your benchmark allocations.

If your actual program costs exceed your program cost allocation after all in-year adjustments have been made, you will need to cover the difference.

3.5 CWELCC Emergency Funding

In Spring 2025, we will share details on how to access emergency funding for one-time, unexpected, non-discretionary costs. Approvals will be subject to eligibility and budget availability. Please stay tuned.

3.6 Things You Must Do if You Participate in CWELCC

If you participate in CWELCC, you must:

- Reduce/maintain (as applicable) and communicate your base fees ([Section 4](#)).

- Meet wages and benefits requirements ([Section 5](#)).
- Maintain your service levels ([Section 6](#)).
- Use Enhanced Program Supports (EPS) appropriately ([Section 7](#)).
- Use funding to support eligible costs ([Section 8](#)).
- Meet reporting and accountability requirements ([Section 9](#)).
- Authentically participate. Refer to Peel's [Service Provider Handbook](#), to learn about this requirement and the supports available to you.

Review the following sections for details on these requirements.

Section 4: You Must Reduce Your Base Fees

Base fees are the fees you charge families to provide licensed child care to a CWELCC eligible child. They include:

- Anything you are required to provide under the [Child Care and Early Years Act, 2014 \(CCEYA\)](#), and
- Anything families must pay or purchase from you to receive licensed child care (including any mandatory fees such as registration fees, mandatory fundraising fees, etc.).

See [Appendix 3](#): What is included in your base fees and examples of non-base fees to learn more.

4.1 Reduce Your Base Fees and Make Sure Your Daily Base Fees Are \$22 Per Day or Less

Effective **January 1, 2025**, or beginning the date you enroll in CWELCC (if enrolled after January 1, 2025), you must reduce² your [base fee](#) for [CWELCC eligible children](#) to the lesser of:

- \$22 per day, or

² Fees must be reduced. Except for pre-paid fees impacted by the fee cap, you cannot charge a higher fee and issue a credit or refund.

- The CWELCC reduced daily base fee you were charging on December 31, 2024³.

2025 CWELCC Regulatory Updates Under the CCEYA

Starting January 1, 2025, base fees for child care programs in CWELCC will be capped at a maximum of \$22 per day for eligible children. Providers must include all mandatory fees that families are required to pay when checking if they meet the new fee cap. This includes not only the daily care fee, but also any other required fees such as registration fees, and other one-time or recurring fees that families must pay.

Under the CCEYA, the Ministry defines a “base fee” as any fee charged for child care services, including required services, items, and any other mandatory costs. A “non-base fee” is a fee for optional items or services, or fees charged when the family does not meet the terms of the agreement with you.

To comply with the new rules, you need to clearly explain in your Parent Handbook which fees are mandatory (base fees) and which fees are optional (non-base fees) that families can choose to pay.

Fees that are not charged as part of a daily fee may be spread or amortized over the number of service days in the calendar year to determine how they affect the overall base fee.

Requirement to Issue a Credit or Refund for 2025 Pre-paid Program Fees

If you collected pre-paid fees higher than the daily cap of \$22 (such as deposits or advanced fees), for services on or after January 1, 2025, you must issue a credit or refund for the difference by **March 2⁴, 2025**.

Fee Deposits

Fee deposits are pre-paid base fees. If you collect fee deposits for CWELCC eligible children, it must be calculated by multiplying your new reduced daily fee (i.e. \$22 per day or less) by the number of days the deposit is required for as set out in your Parent Handbook.

If your daily base fee was more than \$22 per day in 2024, and you charged pre-paid deposits, you must issue a credit or refund to families for the difference between your 2025 and you 2024 fee deposits by March 2, 2025.

Example:

³ On December 31, 2024, base fees of providers participating in CWELCC were reduced by 52.75%. If you joined CWELCC after December 31, 2024, refer to [Section 4.7: Daily base fees for new CWELCC providers](#).

⁴ CORRECTION NOTICE: Date changed from March 3 to March 2 to align with Licensing Manual.

Your organization typically collects a fee deposit equivalent to 2 weeks of child care when a family registers for care which is applied to their first and last week of care. In 2024, you collected a fee deposit for care beginning in 2025 calculated using your 2024 approved fee of \$40 per day. In this case you will need to refund the difference of \$18 per day × 10 days, as the maximum you can collect for services beginning in 2025 is \$22 per day.

Fee deposits are considered deferred revenue. When the deposit is used to pay for the child's base fees the revenue is considered earned. Fee deposits count towards your fee offset when they are earned, even if they were collected in a prior calendar year.

Providers can continue to charge a deposit or advanced fees, but they must be based on the reduced fee of \$22 per day (or lower), effective January 1, 2025 and align to your fee policy included in your parent handbook.

Table 1. 2025 fee reduction examples.

Service	Approved base fee	December 31, 2024 reduced base fee by 52.75%, but not less than \$12/day	2025 reduced daily fee after the \$22 per day cap
Before school care only (JK/SK)	\$12	\$12 (stays the same)	\$12 (stays the same)
After school care only (JK/SK)	\$14	\$12 (as 52.75% is less than \$12)	\$12 (stays the same)
Before and after school care only (JK/SK)	\$24	\$12 (as 52.75% is less than \$12)	\$12 (stays the same)
Full-day	\$50	\$23.63 (52.75% reduction applied)	\$22
Full-day	\$90	\$42.53 (52.75% reduction applied)	\$22
Nursery School Program	\$14	\$12 (as 52.75% is less than \$12)	\$12 (stays the same)

Extended Day Programs and Other Exceptional Circumstances

You may offer different types of care and fees to meet the needs of families such as part-day, full-day, part-time, full-time, before, after, and before and after care. The fee reduction under CWELCC must be applied to all base fees for eligible children. However, the reduction cannot lower the fee to less than \$12 per day or exceed \$22 per day for a full 24-hour period.

- If a child is enrolled for care during school hours and separate extended hours (for example, 9 am to 4 pm) the maximum you can charge is \$22 per day.
- If a child is enrolled for both the school hours and the extended hours, the maximum you can charge them is also \$22 per day (including both the school hours and the extended hours).

4.2 Other Mandatory Fees

Regulatory Change Under the CCEYA: All Mandatory Fees Must be Included in Your Base Fee Calculation

The Ministry has made regulatory changes under the CCEYA, requiring that all mandatory fees charged to families must be included when calculating your overall base fee.

This includes any fees families must pay, such as registration fees and any other one-time or recurring fees amortized by the number of service days in the calendar year. These fees will then be used to determine if the daily fee cap of \$22 is being followed.

Important: To reduce administrative work for providers, we recommend that starting January 1, 2025 you stop charging registration fees and other mandatory fees to your families. This change will not affect your total revenue (CWELCC funding plus fees collected from families) as any revenue you collect from families will directly reduce your amount of CWELCC funding from Peel through the revenue offset calculation.

If your daily fees were:

- \$22 per day or more as of December 31, 2024, you cannot continue to charge any additional one-time or other mandatory fees as you will exceed the \$22 per day cap set out in regulations.
- \$22 per day or less as of December 31, 2024, you can continue to charge additional one-time or other mandatory fees as long as the combined amount does not exceed the \$22 per day cap set out in regulations.

If you decide to keep charging one-time or other mandatory fees to families, you must make sure that your total fees (daily fees and any one time or other mandatory charges) do not go over the \$22 per day fee cap.

Steps to determine compliance:

1. Pro-rate your mandatory fees by the number of service days in the calendar year.

2. Add the pro-rated daily mandatory fee to your daily base fee to determine the combined daily fee.
3. Ensure the combined daily fee does not exceed the \$22 per day cap.

Example #1: Complying With the \$22 Cap

On December 31, 2024, families were charged \$19.55 per day in base fees, and an annual mandatory registration fee of \$236.25 (after the 52.75% fee reduction), and your program operates for 261 days per year. The original registration fee before the 52.75% reduction was \$500 per year.

Calculation:

The reduced annual registration fee of \$236.25 divided by 261 service days will contribute \$0.90 per day towards the daily fee cap. The combined daily fee is \$19.55 per day plus \$0.90 per day which equals to a revised amount of \$20.45 per day, which complies with the requirement.

Example #2: Mandatory Fee Exceeding the \$22 Cap

On December 31, 2024, families were charged \$21.50 per day in base fees, and an annual mandatory registration fee of \$300 (after the 52.75% fee reduction), and your program operates for 261 service days per year.

Calculation:

The reduced registration fee of \$300 divided by 261 service days will contribute \$1.15 per day towards the daily fee cap. The combined daily base fee of \$21.50 plus \$1.15 per day equals to a revised amount of \$22.65 per day.

Since the combined daily fee exceeds the \$22 per day cap, you must reduce the fees collected from families to comply.

Adjustment Required:

To meet the \$22 per day cap, you would need to reduce the annual registration fee to \$130.50 ($\$22 - \21.50 , then multiply by 261 days). This ensures the combined daily fee does not exceed \$22.

At reconciliation, you will be required to report all mandatory fees collected in the calendar year, and we will reduce your CWELCC funding by that amount.

Action: If you plan to continue charging registration or other mandatory fees to families, you must email us at EarlyYearsSystemDivision@peelregion.ca before

January 31, 2025. We will review with you the impacts to the fee cap and your CWELCC allocation.

To meet [Section 4.3](#): Revise and communicate your fee schedule, your Parent Handbook must be updated to reflect your decision. We will also collect your updated Parent Handbook in Q1, 2025.

4.3 Revise and Communicate Your Fee Schedule

To ensure families know about the fee reduction, the \$22 per day base fee cap, and the removal of all mandatory base fees you must:

- Update your fee schedule to reflect the \$22 per day base fee cap. Your fee schedule must include your base fees, non-base fees, a description of what is included in your services, and the portion of the fees covered by Peel and the effective date.
- Communicate the reduced fees and the removal of other mandatory fees (if applicable) to your families through your regular communication channels, such as email, letter, and parent board in your centre.
- Make your updated fee schedule publicly available on your centre's parent board and update your Parent Handbook. We also recommend you post your fee schedule on your website.

4.4 Maintain the Services Included in Your Base Fee

Programs and services currently included in your base fee must continue to be included in your base fee and cannot be changed to non-base fees.

You cannot introduce new mandatory fees or increase existing mandatory fees. Mandatory fees are fees that families must pay to receive child care.

4.5 CWELCC Eligible Children

All children younger than 6 years of age who are enrolled in a participating licensed child care program (full-day or part-day) qualify for the \$22 base fee cap. Children who are 6 years of age may qualify as follows:

- 6-year-old children enrolled in a preschool, kindergarten, or family age groups:
 - If the child turns 6 years old between January 1 and June 30, they qualify until June 30 of that year. For example, if a child turns 6 on April 15, the child qualifies for the base fee cap until June 30. Starting July 1, the child does not qualify and would pay your market fees.

- If the child turns 6 years old between July 1 and December 31, they qualify until the end of the month they turn 6 years old. For example, if a child turns 6 on October 5, they will qualify for the base fee cap until October 31. Starting November 1, the child does not qualify and would pay your market fees.
- 6-year-old children enrolled in primary/junior school-age or junior school-age qualify until the end of the month they turn 6 years old. For example, If the child turns 6:
 - On April 15, they would qualify until April 30 and pay market fees starting May 1.
 - On October 12, they would qualify until October 31 and pay market fees starting November 1.

Note: Camp programs not licensed under the CCEYA, are not licensed child care. Children enrolled on these programs do not qualify for CWELCC.

4.6 Fee Reduction for Eligible Children in Receipt of Child Care Subsidy

We have updated your municipal rates in the [Ontario Child Care Management System](#) (OCCMS) to reflect the 2025 CWELCC reduced market rates effective January 1, 2025. Review [Appendix 8](#) to learn how this impacts your child care subsidy payments.

- Families in receipt of subsidy with children enrolled in participating programs receive a 50% fee reduction on their parent contribution paid for eligible children, even if their contribution is less than \$12 per day. The parent contribution for CWELCC eligible children has already been reduced in the confirmation of subsidy letter. This means that⁵:
 - You do not have to apply an additional reduction.
 - Parents must pay the parent contribution amount in the confirmation of subsidy letter.
- Municipal fees cannot exceed \$22 per day including daily base fee and other mandatory fees (for example, registration fees). See to [Section 4.2: Other mandatory fees](#) for more information.
- When a family receiving child care subsidy exceeds their absent day

⁵ Revised for clarity.

allowance, any remaining absent days for the year must be charged the same way as full fee-paying families. This means that the family would pay the market rate reduced by 52.75% to a cap of \$22 per day. Any fees paid by families already collected for that day would contribute towards the remaining amount that the family has to pay. For information on the absent day allowance, review the [Service Provider Handbook](#).

- The subsidy portion of your fees will continue to be paid separately by the child care subsidy program.
- Child care subsidy payments and payments by families are included on your base fee revenue offset and result in a reduction of CWELCC funding.

4.7 Daily Base Fees for New CWELCC Providers

If you enroll in CWELCC after December 31, 2024, as per [O. Reg. 488/24](#) under the CCEYA, your daily base fees are as follows:

Age group for CWELCC eligible children	Daily base fee
Infant, full-day	\$22
Toddler, full-day	\$22
Preschool, full-day	\$22
Kindergarten, before and after school program	\$13.35
Kindergarten, full-day	\$22
School-age, before and after school for CWELCC eligible children	\$12.27
School-age, full-day for CWELCC eligible children	\$22
Family Age group, full-day for CWELCC eligible children	\$22

Section 5: Staff Wage and Benefit Requirements

This section outlines the wage enhancement and incremental benefit/deduction requirements you must follow in 2025 for staff who care for CWELCC eligible children. Once you meet these required wage and benefit conditions, you have the flexibility to determine staff compensation within your overall program cost allocation.

Note: Providers should claim staffing expenses under CWELCC if the staff supports children younger than 6 years of age. Providers should claim staffing expenses under school-age funding if the staff supports children 6 to 12. If a staff is a floater, or serves

both age groups, providers should claim the cost under the program where that staff spends most of their time. Expenses can only be claimed once.

Starting in 2025, regular funding for children younger than 6 years is integrated into your CWELCC cost-based funding. We used your 2023 Audited Financial Statements and FAIR, which includes your 2023 routine funding expenses, to determine your funding eligibility and to assess your ability to meet these requirements.

To participate in CWELCC in 2025, you must:

1. Meet [Ontario's minimum wage requirements](#) for all your employees. As of October 1, 2024, Ontario's minimum wage is \$17.20 per hour.
2. [Maintain 2024 regular General Operating Fund \(GOF\) hourly wage and benefit enhancements in 2025](#). You are required to maintain the same hourly wage and incremental benefit enhancements in 2025 that were provided under the 2024 General Operating Fund (GOF). This includes staff wages and benefits, historical funding, and pay equity that was added to an eligible staff's hourly wage as of December 31, 2024. This requirement does not include one-time top-ups ([Section 5.4](#)).
3. [Meet 2025 Wage Enhancement Grant \(WEG\) requirements](#) for eligible program staff and supervisors. Staff eligibility must be reassessed based on the updated 2025 WEG's wage maximum of **\$32.81** per hour ([Section 5.5](#)).
4. [Meet the Workforce Compensation Funding \(WCF\) 2025 requirements](#) for eligible RECE program staff and RECE supervisors ([Section 5.6](#)).
5. Ensure eligible staff affected by the change in the order of operations are, at minimum, [held to their 2024 wage](#) ([Section 5.7](#)).
6. Provide one hour of paid planning time to eligible program staff working with children younger than 6 years of age ([Section 5.11](#)).

No staff should earn less than what they earned in 2024 for the same work.

- The Ministry has indicated in its provincial guidelines that "base wages" for the purpose of wage enhancement funding (like WEG or WCF) must include GOF.
- Staff who no longer qualify for (or qualify for less) WEG and/or WCF must be held constant until they become eligible for additional increases. This means that hourly wages for program staff as of December 31, 2024 must be

maintained in 2025, ensuring no reduction in their pay. Review [Section 5.7 Wage Stability](#) of this guideline for more details.

5.1 Eligible Positions and Hours Supported

This section applies to program staff serving children younger than 6 years, who are employed in child care centres approved to participate in CWELCC by Peel.

What Program Staff and Centre Supervisors Qualify for^{6 7}

- The hourly GOF wage enhancement received in 2024 (Staff Wages and Benefits, Historical and/or Pay Equity as applicable).
- 2025 WEG, if their hourly wage is eligible.
- Program staff and centre supervisors who are also RECEs (designation) qualify for the WCF, including the up to \$3 per hour RECE wage increase and the RECE wage floor if their hourly wage is eligible.

Notes:

- Director-approved staff (staff working in an eligible position without a RECE designation such as non-RECE Montessori teachers, non-RECE supervisors) only qualify for GOF and WEG.
- Assistant centre supervisors qualify for GOF, WEG and WCF only for the hours worked supporting ratio requirements for CWELCC eligible children if they spend at least 25% of their time supporting ratio, and if their hourly wage is eligible.

Hours that must be supported for program staff and centre supervisors.

For program staff and centre supervisors, the wage enhancements must be applied to paid time in program supporting ratios for CWELCC eligible children, paid planning time hours, paid set-up time, and paid time spent in meetings mandated by the organization, if they meet all other requirements.

Non-program Staff Who Spend at Least 25% of Their Time Supporting Ratio

- Qualify for hours worked supporting ratio requirements for, or supervision of, CWELCC eligible children, as follows:

⁶ See [Appendix 1: Key Terms](#) for the definitions of program staff, supervisor, RECE, and RECE supervisor.

⁷ Program staff positions in place to support higher adult-child ratios than required under the CCEYA, qualify for these programs if they meet their additional eligibility requirements (e.g. hourly wage eligibility, qualifications, etc.).

- Hourly GOF wage enhancement received in 2024 (including Staff Wages and Benefits, Historical and/or pay equity as applicable).
- 2025 WEG if hourly wage is eligible.
- If they are RECEs (designation), the 2025 WCF, including the up to \$3 per hour RECE wage increase and the RECE wage floor if hourly wage is eligible.

Hours worked outside of ratio do not qualify.

For example, if a cook is scheduled to work 8 hours per day and is scheduled to work 2 of those hours to support rest time or cover program staff breaks, then that position is working in program for 25% of the time and may qualify for the enhancements above for 2 hours per day (10 hours per week).

5.2 Ineligible Positions

Requirements related to 2024 GOF maintenance, 2025 WEG, 2025 WCF, Wage Stability, and planning time do not apply to the following positions:

- Non-program staff, such as bus drivers, cook/housekeeping, custodian/janitorial, clerical/administrator⁸.
- Assistant supervisors who do not qualify for the 2025 WEG or WCF.
- Enhanced Program Support (EPS) Staff, Special Needs Resourcing resource teachers/consultants and supplemental staff⁹.
- Unpaid students and volunteers.
- Students not in a permanent position.
- Owners/Operators who do not occupy an eligible position.
- Individuals hired through a third-party such as a temp agency.
- Fee for service contracts.

Program staff and supervisors who are not Registered Early Childhood Educators (RECE) do not qualify for Workforce Compensation Funding (WCF).

⁸ If the position listed above spends at least 25% of their time supporting ratio requirements under the CCEYA, the position is eligible for hours worked supporting ratios and the supervision of children in the program.

⁹ EPS funded staff cannot be counted towards ratio for supervision under the CCEYA. If you have used EPS funding to extend the hours of existing program staff, only the hours that staff supported ratio under the CCEYA can be eligible for GOF.

Director-approved staff working in an eligible position without a RECE designation such as non-RECE Montessori teachers and non-RECE supervisors, do not qualify for WCF.

5.3 Change for 2025 - Order of Operations

To help you determine staff financial eligibility and apply the wage enhancements, use Peel's 2025 Staff Wages Planning Tool shared with you and follow this order of operations:

A. Program Staff and Centre Supervisors

1. Start with your employer-paid base wage as of December 31, 2024 (include any 2023 and 2024 employer-funded wage improvements such as obligations from collective agreements, performance, cost of living and/or minimum wage increases).

Note: If staff receive an increase to their base wage between January 1 and December 31, 2025, you are not required to reassess their eligibility for workforce funding in 2025. The increase in base wage must be considered when determining eligibility for 2026 workforce funding.

2. **NEW:** Add: 2024 General Operating Fund (GOF) staff hourly wage enhancements and related benefits for eligible staff. This includes the former Staff Wages and Benefits, historical, and pay equity regular hourly wage enhancement amounts and excludes top-up payments.
3. Add: Wage Enhancement Grant (WEG). Full/partial WEG is added if the total from steps 1 and 2 is less than \$32.81 per hour for eligible staff positions.

B. Program Staff and Centre Supervisors Who Are RECEs¹⁰

4. Add: Workforce Compensation Fund (WCF) to RECE Wage if the total from steps 1, 2, and 3 is less than \$27 per hour for RECE program staff and \$30 per hour for RECE supervisor. Staff must qualify for WEG before they qualify for WCF.
5. Add: WCF RECE Wage Floor, if the total from steps 1 to 4 is less than \$24.86 per hour for RECE program staff or \$25.86 per hour for RECE supervisors.

¹⁰ Refer to [Appendix 7: How to Determine if Staff Qualifies for WCF](#) for more details

C. Important Note for Program Staff and Supervisors Who Are Assessed at a 2025 Hourly Wage That is Lower Than Their 2024 Hourly Wage with Enhancements

6. Add: Staff who previously qualified for WEG and/or WCF in 2024, but no longer qualify in 2025 due to the change in the order of operations, must have their 2024 hourly wage held constant (including applicable wage enhancements) until they become eligible for additional increases. Add the stability amount to their wage that maintains their salary at 2024 levels. See [Section 5.7: Wage Stability](#) for more details.

5.4 Maintain 2024 GOF Regular Wage Enhancements

In 2025, you must maintain the same General Operating Fund (GOF) wage enhancement and benefit supports provided to staff in 2024.

- You must maintain wage and benefit enhancements following your distribution approach used in 2024.
- Positions supported in 2024 should not experience a decrease in their hourly wages.
- This includes hourly wage enhancement paid through the former staff wages and benefits, historical, and pay equity wage enhancements (if applicable). One-time top-up GOF amounts distributed to staff in 2024 are excluded from this requirement.
- GOF is a wage enhancement and must be applied on top of staff's base wage (as of December 31, 2024).

Pay Equity

If you are eligible to receive pay equity funding by the province, you must:

- Use your funding to meet pay equity obligations under the province's pay equity plan and the [Pay Equity Act](#).
- Let us know in writing when your pay equity obligations are achieved.

5.5 2025 Wage Enhancement Grant (WEG)

In 2025, WEG continues to support an increase of up to \$2 per hour, plus incremental mandatory benefits/deductions for eligible program staff.

You do not need to apply. WEG supports are already built into your program cost allocation (benchmark allocation and/or top-ups). You will not receive a separate amount.

Action required: You must submit your Workforce Supplementary Schedule by **January 31, 2025**, so that we can assess your wage enhancement and benefit costs and ensure you have enough funding to meet the requirements in [Section 5: Staff wage and benefit requirements](#).

2025 WEG eligibility maximum: The WEG eligibility maximum wage for 2025 is \$32.81 per hour.

New in 2025: The hourly base wage paid by you plus all former General Operating Fund wage enhancements (Staff Wages and Benefits (SWB), Historical Wage Subsidy, and Pay Equity) must be considered in the WEG wage maximum. Do not include WEG enhancements from prior years.

To determine if staff qualifies for WEG, follow the steps outlined in [Appendix 6](#).

5.6 Workforce Compensation Funding (WCF) Requirements

In 2025, the WCF is built into your program allocation and improves wages for RECEs employed in centres participating in CWELCC.

To meet your WCF requirements, you must increase the hourly wages of eligible RECE staff supporting CWELCC children by the:

- **RECE wage increase:** You must increase the hourly wage of eligible RECE program staff and supervisors by up to \$3 per hour in 2025, if their hourly wages are below the wage ceiling of \$27 per hour (including GOF and WEG) for RECE program staff and \$30 per hour (including GOF and WEG) for RECE supervisors. This includes staff continuing in their existing positions, newly filling an existing position (for example replacing a previous staff member) or filling a newly created position in 2025.
- **RECE wage floor:** You must pay RECE program staff at least \$24.86 per hour and RECE supervisors at least \$25.86 per hour (including the base wage, GOF, WEG, and WCF wage increase). To calculate the wage increase and wage floor for RECEs, follow [Section 5.3: Order of operations](#).

To determine if staff qualifies for WCF, follow the steps outlined in [Appendix 7](#).

5.7 Wage Stability for Employees Affected by the Change in the Order of Operations

The Ministry has instructed us to include [GOF](#) in staff base wages when calculating eligibility for the [WEG](#) and [WCF](#). Due to this change, some staff who qualified for [WEG](#) and/or [WCF](#) in 2024 may no longer qualify for all or part of these enhancements in 2025.

As required by the Ministry, wage increases for these employees must be held constant until they become eligible for additional increases.

This means that if staff continue in the same position, their 2025 hourly wage including wage enhancements cannot be less than their 2024 hourly wage with enhancements. In other words, their wages must be held constant at 2024 levels until they qualify for an hourly wage increase in future years.

For example, Mary is a RECE working in a toddler room.

In **2024**, she earned an hourly base wage of \$22.

- She qualified for a full WEG enhancement (\$2) because her hourly base wage was less than the 2024 WEG wage maximum (\$30.59) = \$24 per hour.
- She qualified for a full WCF RECE wage increase (\$2) because her hourly wage with WEG was \$24, and below the 2024 wage ceiling (\$26) = \$26 per hour.
- She also received \$2.50 per hour in GOF, which was not included in the WEG or RECE wage increase calculation in 2024 = \$28.50 per hour.
- Her 2024 hourly wage with wage enhancements is \$28.50.

In 2025, the order of operations changed and her GOF wage enhancement was included in the WEG and RECE wage increase calculations. She did not get an employer paid wage increase in 2024.

- Her hourly base wage (\$22) plus 2024 GOF (\$2.50 per hour) is \$24.50 per hour.
- She qualifies for a full WEG enhancement (\$2) because her hourly base wage was less than the 2025 WEG wage maximum (\$32.81) = \$26.50 per hour.
- In 2025, the RECE wage ceiling is \$27 per hour. This means that she only qualifies for a RECE wage increase of \$0.50 per hour.
- With the change in the order of operations, her total 2025 hourly wage is \$27.

Since Mary's hourly wage with enhancements is lower in 2025 due to the change in the order of operations, her hourly wage must be held constant at 2024 levels, at a minimum. Her 2025 hourly wage must continue to be \$28.50 per hour, at a minimum, until she qualifies for an additional wage increase.

Notations on Pay Stubs for Impacted Staff

Staff whose 2024 hourly wage are higher than their 2025 hourly wages under the new order of operations will be able to receive a “wage stability” amount to keep their wages constant with 2024 levels.

The wage stability amount is calculated by taking the difference between a staff’s 2024 hourly wage with enhancements (as of December 31, 2024) and the 2025 hourly wage under the new order of operations. Using the example above, the wage stability amount for Mary is \$1.50 which is the difference between \$28.50 per hour (2024) and \$27 per hour (2025).

The stability amount must be reported under the “CWELCC” notation on a staff’s paystub and reported as an expense under WCF. A tool is available to help you calculate the wage stability amount that your staff are eligible to receive.

5.9 Benefits

You must use your program cost allocation to support mandatory benefits and deductions, and existing (before August 15, 2024) supplementary benefits as per your Human Resources Policy. You may also use your program cost allocation to provide new or enhanced supplementary benefits within your program cost allocation.

A. Mandatory Benefits

You must comply with your statutory obligations, including the payment of employer mandatory benefits. This includes:

- Employer contributions to the Canada Pension Plan (CPP), Employment Insurance (EI), Workers Safety Insurance Board (WSIB) and Employer Health Tax (EHT) as applicable.
- Employee benefits such as [vacation pay](#) and [public holiday](#) pay (9 statutory holidays: New Year’s Day, Family Day, Good Friday, Victoria Day, Canada Day, Labour Day, Thanksgiving Day, Christmas, and Boxing Day).

You are encouraged to:

- Seek professional financial guidance regarding mandatory benefit payments to staff;
- Update your Human Resources Policy, and

- Monitor your budget to ensure that you have enough funding within your program cost allocation to meet your mandatory benefit obligations, including the incremental cost of the wage enhancement programs (former GOF, WEG and WCF).

For more information, visit the Canada Revenue Agency website [Employers' Guide - Payroll Deductions and Remittances](#).

B. Supplementary Benefits

You have the discretion to use your program cost allocation to support or enhance supplementary benefits or supply coverage for vacation days and sick days, group life insurance, supplementary health and dental benefits, and supplementary pension within your funding amount.

As you make the decision to provide new or enhance existing supplementary benefits, you may want to consider that:

- You are working within your program cost allocation. Your actual costs at reconciliation cannot exceed your program cost allocation.
- New or newly enhanced benefits do not result in a recalculation of your legacy amount (as applicable).
- Typical costs of supplementary benefits and supply coverage for vacation days and sick days are reflected in the provincial ancillary cost percentages (13.4% and 16.2%). These percentages are for your reference, and do not limit your discretion within your program cost allocation.
- All costs, including supplementary benefits, must be attributable, appropriate, and reasonable.

5.10 Requirements That Apply for All Workforce Wage Enhancements

The hourly wage enhancements, including 2024 GOF (staff wages and benefits, historical and pay equity), 2025 WEG, and 2025 WCF:

- Are over and above Ontario's minimum wage and in addition to your planned salary increases. They cannot be used to reduce and/or offset other planned compensation increases for eligible staff, including, but not limited to merit increases.
- Should not interfere with your salary and compensation decisions or practices, including obligations under collective agreements. If you are subject to the terms of a collective agreement, you must seek independent legal advice on the implementation of wage enhancements.

- Must be paid for statutory holidays, vacation time and paid sick days (if applicable) if staff get paid for these days.
- Owner/operators employed by your agency (in receipt of a T4) qualify for the wage enhancements if they meet the position and financial eligibility requirements of the funding.

Staff Communication Requirements

You must share the Peel Region Staff Memo shared with you on December 12, 2024 found in [Appendix 4](#) with existing program staff and supervisors, so they are aware of the wage enhancements that apply to them and the increases to the provincial RECE wage ceiling and wage floor.

Newly enrolled providers must share Peel Region Staff Memo for New Staff found in [Appendix 5](#) with all program and supervisor staff within 30 days after you receive your 2025 enrollment. Existing providers must also share this memo with new staff eligible for workforce funding.

Note: We may ask for proof of communication at any time.

Payments to Staff Requirements

You must pay hourly wage enhancements (2024 GOF, WEG, WCF, wage stability amount) and paid planning time to eligible staff with each pay cheque or payment made. Wage enhancements must be paid at the same time the base hourly wage is paid.

- You must include a notation for each program with the associated amounts payable on each paystub for: GOF, WEG and CWELCC (WCF).
 - Important: if your staff require stability funding, this should be noted under CWELCC (WCF) on the paystub.
- Pay hourly wage enhancements for hours worked between January 1 and December 31, 2025.
- One-time, year-end, cash and/or gift card payments are not permitted.
- Keep appropriate records verifying payments and distribution of GOF, WEG, WCF, wage stability, and paid planning time paid to staff.

5.11 Paid Planning Time¹¹

Paid planning time is dedicated time out of the classroom to perform eligible planning time activities.

REVISED. In 2025, you must¹² use your program cost allocation to provide eligible program staff with the same paid planning time supports they received in 2023. Program staff who work at least 20 hours per week meeting ratio requirements (RECE or not-RECE) qualify for one hour per week of paid planning time.

Who Qualifies for Paid Planning Time?

Program staff who work a minimum of 20 hours per week supporting ratio requirements as outlined in the CCEYA in any one-week period (Monday to Sunday) qualify for one hour per week of paid planning time.

What Activities Qualify Under Planning Time?

Time spent in the following activities count towards the paid planning time requirement:

- Engaging in reflective practice, collaborative inquiry around pedagogical approaches (for example: inclusive learning environments and experiences, planning and creating environments, use of pedagogical documentation). This includes applying learning from courses or training in the classroom.
- Preparing and documenting ongoing curriculum based on the 4 foundations of [How Does Learning Happen?](#) and observations of children's interests.
- Reviewing documentation, identifying interests, and setting goals for a group or a child.
- Researching and planning goal-oriented activities that support a child's well-being and creating the best possible conditions for learning and development.
- Reflecting and documenting the impact of current practices and approaches on children, families, and others.

Paid Planning Time Requirements

As part of the paid planning time requirement, you must:

¹¹ Paid planning time are for staff working with CWELCC eligible children may be eligible costs under the CWELCC cost-based funding if they are attributable, appropriate, and reasonable. While specific expenditures are not required at this time, you have the flexibility to continue to support these costs within your program cost allocation.

¹² CORRECTION NOTICE: Language revised to describe accurately the requirement

- Provide staff with equitable access to paid planning time. You could meet this requirement by developing a written policy or communication to staff about how they can access the funding.
- Pay staff their regular wage when completing program related functions such as paid planning time activities.
- Maintain monthly logs for paid planning time and expenses, which include activity/expense, when it was used (date), name of staff, indicate their position and type of staff (for example, program staff or supply), if the activity is completed during or after regular hours, and amount. Your monthly logs will help you reconcile the funding and report on KPIs. These logs will be subject to audits.

5.12 Child Care Staff Inquiries

If Peel is contacted by your staff member about the staff wages and benefits funding, the staff will be asked to direct their question to you. If the centre staff does not feel that their question is being addressed, Peel will contact you on their behalf.

Section 6: Maintain Your Service Levels

You must maintain all programs and services (including program quality, hours of service, availability) offered as of March 27, 2022 or as approved by Peel when you enrolled in CWELCC, under your base fee. Families should not experience reductions in service offerings or surcharges for services that were part of your base fees prior to CWELCC.

This means that you must maintain:

- The number of days you provide services to children.
- Spaces for CWELCC eligible children (for example, a licensed infant space must remain an infant space). Licence revisions or the [use of alternate capacity](#) must be reported using the comments section of the OCCMS attendance reporting.
- Hours of operation. Changes to your centre's hours of operations must be communicated via email to EarlyYearsSystemDivision@peelregion.ca one month before the changes take place.
- The services included in your base fee. Your Parent Handbook must clearly define what services are included in your base fee (and subject to the CWELCC fee reduction), and what services are not. Any programs and services included as part of your base fee on March 27, 2022 (or at the time of CWELCC enrollment) must continue to be provided through your base fee.

- Changes to your service levels may result in funding adjustments and/or recoveries.

6.1 Program Closures

The following rules apply to program closures:

A. Maximum Number of Closure Days

Your program may not exceed 2 consecutive weeks of closure, and not more than 4 weeks of closure within a calendar year where families are charged base fees.

Any closure days for which base fees are charged, count towards your maximum number of closure days. This includes, but is not limited to:

- **NEW:** Statutory holiday closures. If you are impacted by this change, please email us at EarlyYearsSystemDivision@peelregion.ca and we will work with you to transition to this new requirement.
- Non-statutory holidays/closures.
- Professional Development (PD) days.

B. Program Closures That Do Not Count Towards Your Maximum Number of Closure Days

The following types of program closures do not count towards the maximum number of closure days you are allowed:

- Closures where you **do not charge fees**. If you close your program and do not charge families any fees for that day, this does not count as a service day.
 - Important: While these closures do not count towards your maximum closure days, they may still affect your program's cost allocation.
- Closures due to events outside of your control, such as natural disasters, inclement weather in alignment with closures decided by Peel's public-school boards, and labour disruptions such as strikes or lockouts if you are a third-party provider and cannot operate because you are denied access to the location.

Where families pay fees for closure days

- Families qualify for the fee reduction.
- Peel expects that staff are paid for closure days, even if the closure is due to an event outside of your control (such as a natural disaster or inclement weather), staff must be paid.

6.2 Use of Alternate Capacity

You can use alternate capacity currently identified on your licence. For example, a room licensed as a toddler room may switch to a preschool room for a certain period. This means that if you are using a preschool alternate capacity:

- Families must be charged a preschool rate during that time.
- Children should be reported under the preschool age group in OCCMS.

Monthly OCCMS Reporting

You must report the use of alternate capacity in your monthly attendance report. If you change from your licensed capacity to your alternate capacity (or vice-versa), you must report the months where alternate capacity was used, and the number of children impacted. The use of alternate capacity should be reported in the comments section of the monthly attendance report.

Table 2. Example of reporting alternate capacity via OCCMS.

Month	Licensed capacity used (# of children impacted)	Approved base rate	Reduced fee supported per child per day
June	Toddler (10)	\$50	\$22
July	Preschool (12)	\$40	\$18.90
August	Preschool (12)	\$40	\$18.90
September	Toddler (10)	\$50	\$22

For the purposes of calculating your funding allocations:

- The age group listed as licensed capacity applies to fixed cost components.
- Alternate capacity could be used to calculate variable cost components. If you use the same room for different age groups at different times of the day, only one service can apply per space (as the spaces is being used in the same 24-hour period).
- Your reported alternate capacity will be used to calculate your variable cost components and your anticipated revenue offset.

6.4 Mixed Age Groups

If you use mixed age groups:

- CWELCC eligible children: if CWELCC eligible children are enrolled in primary or junior school-age or junior school-age spaces and you qualify for a legacy top-up, we will include these children in your operating scaling factor.

- CWELCC Ineligible children: if children ineligible for CWELCC are enrolled in CWELCC spaces (preschool or kindergarten), the costs of delivering child care to these children will not qualify for CWELCC funding. We will use a reasonable methodology to split eligible costs from ineligible costs.

6.5 Parent Handbook Requirements

Providers participating in CWELCC must provide a copy of their Parent Handbook to families. It is also recommended that your Parent Handbook be published on your website.

As per the [CCEYA](#), your Parent Handbook must clearly communicate:

- The times when the services are offered.
- The holidays observed.
- The base fee and any non-base fees that may be charged (and the services included), and that your centre(s) is enrolled in the CWELCC program.

NEW! In addition, the Ministry has made regulatory changes to the CCEYA starting January 1, 2025 to require providers to update their Parent Handbook to include:

- Your fee payment approach (method of payment, such as e-transfers and cheques).
- Your fee payment schedule (for example, weekly, bi-weekly, monthly).
- If refunds or credits will be provided and when. You must clearly state which fees are refundable, and which aren't, and under which circumstances.

Section 7: Use Enhanced Program Supports

Enhanced Program Support (EPS) is short-term funding support that allows you to hire extra staff and/or extend the hours of existing staff, as program support staff when needs are present in your classrooms.

- The goal of EPS is to foster an environment that helps all children participate and be included in classrooms where program support is needed.
- EPS continues to be provided in 2025 and is now included in your program cost allocation. As a part of your 2025 CWELCC program cost allocation, you may add EPS to your licensed classrooms for CWELCC eligible children younger than 6 years of age. You have the flexibility to use EPS at any point in the year as an additional support based on the needs in your program.

- The EPS costs you incurred in 2023 will be factored when we determine your eligibility for a legacy top-up. Your 2025 CWELCC allocation may be updated in Spring 2025 if you did not use or receive EPS funding in 2023.
- EPS funding to support classrooms with school-aged children in licensed centre-based before and after school programs (BASP) will be funded separately through School-Age (6-12) Funding.

Important: There will be no application process for EPS top-up funding in 2025. Top-up funding has been included into the overall allocation of EPS.

You are responsible for using your EPS funding appropriately and must meet the following requirements:

7.1 Minimum and Maximum Allowable Wage

You may only use EPS funding for staff wages and benefits.

You have the flexibility to choose how you compensate your program support staff, within the limits below:

- Minimum: You must pay your program support staff at least Ontario's current [minimum wage](#).
- Maximum: You cannot pay your program support staff an hourly wage that is higher than the hourly wage of the highest-earning non-supervisory RECE employed at your centre including wage enhancements.
- For example, if the highest earning non-supervisory RECE in your centre earns \$27 per hour (including wage enhancements), the maximum hourly amount you can pay your program support staff is \$27 per hour.

7.2 Program Support Staff Requirements

Program support staff:

1. Cannot be included in child care ratio requirements

- Program support staff cannot be included in the minimum ratio requirements under the CCEYA. For this reason, program support staff are not eligible for wage enhancements, such as GOF, WEG, and WCF.

2. Cannot provide 1:1 supports

- EPS is a support for the entire classroom and program support staff cannot provide 1:1 support for an individual child or support specific children only.

- Program support staff and educators are expected to work together to support all children in the classrooms and must share the responsibility of providing individual support to a child.

3. Must have these qualifications

- A current police record check, including vulnerable sector screening as outlined in [Section 59 of O. Reg. 137/15](#) under the CCEYA.
- Standard First Aid including infant/child CPR certificate as per section 55 of [O. Reg. 137/15](#) under the CCEYA.
- Other recommended qualifications may include:
 - Previous experience working or volunteering with children with cognitive, physical, social, emotional, or communicative needs.
 - Diploma in Early Childhood Education, Child and Youth, Developmental Support, Educational Assistant, or Recreation and Leisure.

7.3 Training Requirements

All staff (supervisors, educators, and program support staff) working in classrooms where program support will be added must complete the [Together We Are One](#) training offered through Child Development Resource Connection Peel (CDRCP). We may ask you to verify that staff have taken the training.

We strongly encourage all staff to complete this training and will ask you to review the training if we update the content. Any new staff you hire must view the webinar as part of their orientation.

7.4 General Inclusive Practice Requirements

You must be authentically participating to deliver inclusive practices in your program. Inclusive practices are evident when:

- All families have access to a child care program.
- You are not limiting days and hours of care of any children and are committed to supporting placements for all children.
- You are carrying out ongoing environmental assessments and adjustments to meet the needs of all children in your program.
- Your program staff share responsibilities of providing individual support and including other children in activities when possible.
- Your program staff are meaningfully working together with your Peel Inclusion Resource Services (PIRS) Resource Consultant, including allowing them full

access to your program and engaging in discussions about classroom needs and goals for EPS support.

- Your program staff carry out strategies that your PIRS Resource Consultant recommends as it relates to using EPS support and are participating in professional development opportunities related to your program needs, goals, and inclusive practices.
- You are adjusting EPS hours and staffing in response to changing program dynamics and as you achieve goals, including a plan to fade out support.

Section 8: Using Your Funding to Support Eligible Costs

In 2025, your funding is reconciled against the:

- Actual amount of eligible costs incurred to provide 0-6 child care reflected in your base fees for the calendar year.
- Higher of your expected or actual base fee revenue.

To avoid incurring ineligible costs that may result in year-end recoveries, you must review and understand the rules included in [Section 8: Using your funding to support eligible costs](#) of this guideline.

8.1 Eligible Costs

You must spend your CWELCC funding on eligible costs. Using CWELCC funding for ineligible costs may result in year-end recoveries.

The following 3 principles provide guidance to determine whether costs are eligible:

1. **Attributable:** Costs are directly or indirectly related to the delivery of child care for CWELCC eligible children and included in the base fee.
2. **Appropriate:** Costs are necessary for the delivery of child care, and/or sound and practical to meet the operating needs of a child care program; required for health and safety, and cultural or religious purposes.
3. **Reasonable:** The cost amount or quality of the good and/or service aligns with your program needs (for example, operating capacity, needs of individual children, fair market value). Costs may be eligible in full or only partially eligible.

These principles allow flexibility for the different needs of child care providers. The intention is to allow you to provide high quality services over and above licensing

requirements (such as staff to child ratios, food, programming) that make sense for your child care program.

We encourage you to fully utilize your total program cost allocation on eligible costs throughout the calendar year.

Example: Rising Food Costs

Provider “AAA” operates an Islamic child care program for children younger than 6 years of age which offers halal meals for religious purposes. Food costs have increased over the last couple of years, and recent quotes show a similar trend of increased prices among multiple food suppliers.

To determine if this cost is eligible, Provider “AAA” would apply the cost principles:

- Is the cost Attributable? Yes, food costs are directly related to the delivery of child care for eligible children younger than 6 years of age.
- Is the cost Appropriate? Yes, the purchase of halal meals is required to meet the cultural or religious operating needs of the program.
- Is the cost Reasonable? Yes, although the price has increased, multiple quotes from other food suppliers show that the cost is still at fair market value.

Since all 3 cost principles are met, the cost is eligible.

If you have any questions, email us at EarlyYearsSystemDivision@peelregion.ca.

Non-Arm’s Length Transactions

Non-arm’s length transactions are between parties who have a close relationship, such as family members or friends. These transactions are ineligible unless conducted at or below fair market value (verification may be required).

Before you purchase an item or work is completed by a family member or friend, you must get a minimum of 2 quotes. You must keep all documentation, including quotes, receipts, and paid invoices as you may be required to submit during reconciliation.

8.2 Ineligible Costs

The Ministry sets out specific examples of ineligible costs. These include:

1. Costs deemed to be in lieu of profits such as dividends, in-kind benefits, or perks directly or indirectly for the controlling owner.

2. Costs funded or reimbursed by another public source such as insurance claims.
3. Major capital repair costs for existing spaces.
4. Costs for the delivery of child care for ineligible children ages 6 to 12.
5. Financing costs such as interest costs higher than the Canada Small Business Financing Program rates. Loans from the federal or provincial governments are exempt from this restriction.
6. Penalties, fines, forfeitures, or liquidated damages.
7. Corporate and personal income tax (Based on the Ministry's direction).

This is not an exhaustive list of ineligible expenses. If you claim an ineligible expense, we reserve the right to deem the expense ineligible and recover funding in whole or in part.

If you have any questions, email us at EarlyYearsSystemDivision@peelregion.ca.

Section 9: Accountability Requirements

9.1 Reconciliation

We will provide details of the 2025 CWELCC reconciliation after we receive and review the Ministry's Standardized Financial Report.

Once released, you must complete and submit your 2025 CWELCC reconciliation accurately and on time. Late submissions will be subject to the Compliance Policy. To learn more about our updated Compliance Policy, see Appendix D of the [Service Provider Handbook](#).

During reconciliation, you will be required to report your actual eligible costs, your actual base fee revenue, and the Key Performance Indicators (KPI) needed to report back to the Ministry.

9.2 Updates to Audited Financial Statements and the FAIR - NEW!

Starting in the 2025 calendar year, for each funding received from Peel during the applicable calendar year, your audited financial statements must include a note disclosure of the amount(s):

- Received

- Spent
- Overspent/repayable to Peel (if applicable)

Audited financial statements and any note disclosure must be provided within the prescribed deadlines regardless of changes to your fiscal year-end.

If you operate a child care centre and licensed home child care agency, you have to report 2 separate statements of revenue and expenditure in your FAIR:

- One for your child care centre operations, and
- One for the licensed home child care operations.

More details on the note disclosure and an updated FAIR template will be provided in the fall of 2025.

9.3 Actual Expenditures - By Program

During reconciliation, you will be required to report actual costs related to the following:

A. GOF

- GOF paid to eligible staff serving CWELCC eligible children.
- GOF incremental mandatory benefits expenses paid on behalf of staff serving CWELCC eligible children and historically approved supplementary benefit expenses paid for staff serving CWELCC eligible children.

B. WCF

- WCF wage floor paid out to RECE program staff serving CWELCC eligible children.
- WCF wage floor paid out to supervisors serving CWELCC eligible children.
- WCF wage increase paid out to RECE program staff serving CWELCC eligible children.
- WCF wage increase paid out to RECE supervisors serving CWELCC eligible children.
- Incremental benefits paid out on behalf of RECE program staff and RECE supervisors (because of the implementation of the wage floor and wage increase).

C. Wage Stability

- Amount spent keeping wages the same for staff whose enhanced hourly wages were less in 2025 due to the change in the GOF order of operations

(see [5.7 Wage Stability for employees affected by the change in the order of operations](#) of this guideline).

D. Paid Planning Time

- Paid planning time actual expenditures,

E. EPS

- You must report your total 2025 EPS expenditures in your FAIR under a separate expense line. Note: Staff wages and benefits for staff above minimum child care ratio requirements are the only eligible EPS expense.

9.4 Key Performance Indicators (KPI)

As a part of your annual 2025 CWELCC reporting requirements, you must report the following KPIs¹³:

A. Program Closures

- Number of program closure days where parent fees are not charged including statutory holidays, as per your Parent Handbook.
- Number of program closure days where parent fees are charged including statutory holidays, as per your Parent Handbook.

B. Staff Recruitment and Retention

- Number of FTE RECE program staff and supervisors employed with the organization (as of January 1, 2025).
- Number of FTE RECE program staff and supervisors employed with the organization (as of December 31, 2025).
- Number of FTE RECE program staff and supervisors who left the organization between January 1, 2025 to December 31, 2025.
- Number of FTE RECE program staff and supervisors who joined the organization between January 1, 2025 to December 31, 2025.

C. GOF

- Number of staff supported with GOF wage enhancements supporting CWELCC eligible children.

¹³ If a staff member is serving CWELCC eligible children and children not eligible for CWELCC you should report them in the category where they spend more time.

D. WEG

- Number of fully eligible staff FTE's eligible for WEG wage enhancements (\$2 per hour). supporting CWELCC eligible children. One FTE is equivalent to 1,754.5 hours for the year.
- Number of partially eligible staff FTE's eligible for WEG wage enhancements (less than \$2 per hour) supporting CWELCC eligible children. One FTE is equivalent to 1,754.5 hours for the year.

E. WCF

- Total number of RECE program staff serving CWELCC eligible children supported by the WCF wage floor.
- Total number of RECE program staff serving CWELCC eligible children supported by the WCF wage increase.
- Total number of RECE supervisors serving CWELCC eligible children supported by the WCF wage floor.
- Total number of RECE supervisors serving CWELCC eligible children supported by the WCF wage increase.

F. Wage Stability

- Total number of program staff and supervisors serving CWELCC eligible children whose wages were held constant in 2025 because their 2025 hourly wages were less than their 2024 hourly wages due to the change in the wage calculation order of operations ([Section 5.7](#) of this guideline).

G. Paid Planning Time

- Number of program staff serving CWELCC eligible children supported with planning time.
- Total number of actual planning hours supported for program staff supporting CWELCC eligible children. Include all planning hours for all eligible staff. For example, if 2 program staff are paid 39 planning hours each, you will report 78, (2 staff × 39 hours = 78).

H. EPS

- Total number of classrooms supported with enhanced program support (cumulative): Total number of classrooms with CWELCC eligible children supported by enhanced program support staff. Each classroom is counted only once in a calendar year.
- Number of hours of enhanced program support provided (cumulative): Total number of hours of enhanced program support provided in classrooms with CWELCC eligible children. The number of hours must align with the amount of funding spent on enhanced program support.

- Number of CWELCC eligible children with special needs served (cumulative): Total number of CWELCC eligible children with cognitive, physical, social, emotional, or communicative needs that were supported by program support staff.

9.5 Other Accountability Requirements

- Review your EYCC agreement and the Service Provider Handbook for details on our accountability and recovery requirements. You are expected to cooperate with us and our third-party auditors regarding our compliance audit mechanisms, direct engagement compliance audits, and cost reviews. This includes providing all necessary documentation related to cost-based funding, cost calculations, and service delivery.
- Additional reporting requirements may be implemented at Peel's discretion. We may ask for further documentation of actual expenditures to support our review.
- If you receive a reduction of funds due to a past recovery or if we hold your funding due to non-compliance, you are still required to maintain the same level of quality service provisions as your overall allocation is not impacted.

Section 10: Contact Us

If you have questions, email your EYS or EarlyYearsSystemDivision@peelregion.ca.

Appendix 1

Key Terms

Adjusted benchmark allocation: Is your benchmark allocation amount adjusted by the Geographic Adjustment Factor (GAF). The GAF recognizes the impact of geographic location on child care costs to reflect regional cost differences.

Actual program costs: Are the actual amount of the eligible costs incurred by an eligible child care centre to provide services which are reflected in the base fees during the calendar year. For reconciliation purposes, actual program costs cannot exceed your program cost allocation.

Alternate capacity: A Ministry approved flexible approach that allows a provider to operate a child care room to serve a different age group. If granted, it will be included in your licensing conditions. Alternate capacity counts towards your operating capacity/spaces (variable costs) but does not count towards your licensed spaces (fixed costs).

Note: The Ministry has advised that the current alternative capacities will be moved from conditions on licences into a table in CCLS's "Operational Information" section. This transition aims to ensure up to date capacity information. However, this will take some time and may not be fully completed when the system launches.

UPDATED. Base fee: Any fee a family must pay that is required for the delivery of child care services, such as daily fees, registration, and any other mandatory fees (one-time or recurring). See [Appendix 3](#) for examples.

Note: Effective January 1, 2025, as per regulatory changes made by the Ministry to the CCEYA, mandatory fees, such as registration and recurring charges, must be included in the base fee calculation to ensure compliance with the daily fee cap of \$22. Providers must also clearly define what is and included in the base fee of their Parent Handbook.

Base Hourly Wage: Is the hourly rate paid to the position by the provider before any regional funding. If the position is paid an annual salary, use an online salary calculator to convert to the hourly rate.

Benchmark allocation: The amount of program cost allocation you qualify for based on the typical costs of Ontario's licensed child care centres. It includes a program staffing benchmark, a supervisor benchmark, an accommodations benchmark, and an operating costs benchmark. The benchmark allocation is impacted by location (see Adjusted Benchmark Allocation) and may be supplemented by top-ups.

Child Care and Early Years Act, 2014 (CCEYA): Sets the rules and regulations for child care programs, including licensing requirements, staff qualifications, health and safety standards, and the types of services that must be provided to children. As a child care provider, you must follow the CCEYA to maintain your program's license and to ensure you are meeting legal and regulatory requirements in your daily operations.

CWELCC expansion application process: The process for interested providers to apply to Peel's CWELCC program.

CWELCC eligible children: Children younger than 6 years of age who are enrolled in a participating licensed child care program (full-day or part-day) qualify for the reduced fees.

NEW. Deposits / prepaid fees: A payment that a family pays upfront for child care service.

- It can be used to hold a spot for the child in the program.
- If the child attends the program, the deposit is deducted from the total amount owed for child care.

Eligible centre: A centre enrolled in CWELCC approved by Peel.

Eligible costs: Costs incurred by an eligible centre in the calendar year for the purpose of providing licensed child care for eligible children which are: attributable to the provision of child care included in the base fee for eligible children; appropriate for the provision of child care for eligible children; and reasonable in quality and amount incurred.

Enhanced Program Support (EPS): Short-term funding to hire new staff or extend the hours of existing staff to support classrooms when needs are present. Staff employed in this position cannot be included in child care ratio requirements.

Existing centre: Refers to an eligible centre that is not new to CWELCC.

UPDATED. Legacy centre: A child care centre that enrolled in CWELCC in Peel before August 15, 2024 or applied for CWELCC enrollment in Peel by that date and was enrolled based on their application. The centre must have continuously participated in CWELCC since its enrollment or application date.

Licensed capacity: The maximum number of children, including the number in each age category that are permitted to receive child care at one time, as set out in your licence.

Licensed space: A child care space in an eligible centre where, according to the centre's licence, is authorized to enroll a child. It does not include spaces designated for alternate capacity.

New centre: An eligible centre that is enrolling in CWELCC for the first time in a calendar year and is not a legacy centre.

Non-base fees: Any fee charged for optional items or optional services, or any fees charged when a family fails to meet the terms of their agreement with the provider. Non-base fees cannot include anything that would impede a child's participation in the program should their family choose to opt out of the service. See [Appendix 3](#) for examples.

Non-discretionary costs: Costs that are necessary for the delivery of licensed child care services for children younger than 6 years of age in Peel covered under the CWELCC base fee, which are beyond the provider's control and cannot be avoided. These costs must be reasonable, economical, and required to meet licensing requirements, including health and safety standards.

Operating capacity: The number of child care spaces a provider is serving based on their staffing complement and budget. The reported operating capacity must be reasonable and consistent with the provider's licensed capacity and staffing levels. It cannot exceed the licensed capacity, or the capacity supported by the provider's staffing.

Operating space: A child care space in an eligible centre where an eligible child is enrolled or could be enrolled immediately, and for which the centre charges a base fee for the enrolled children. Enrollment is only allowed if the centre meets the requirements of [O. Reg 137/15](#) under the CCEYA, including minimum program staff-to-child ratios per room.

Paid planning time: Dedicated time outside of staff ratio responsibilities, during which eligible program staff are compensated to engage in reflective practice, curriculum development, and collaborative inquiry to enhance pedagogical approaches aligned with [How Does Learning Happen?](#)

Paid set-up time: Dedicated time outside of staff ratio responsibilities, during which eligible staff are compensated to support classroom transition and set-up activities (that are before, after, and in-between programs). This includes the following activities:

- Snack and food preparation.
- Classroom set-up, paperwork, and filling out forms.
- Communications to families.
- Paid Program Closures/Transition Times: Up to 5 days per year to support with transitions and set-up between programs that are closed and includes the following activities:
 - Classroom set-up.

- Program and curriculum development.
- Communications to families.
- Professional development.
- Organizational meetings.

Peel Inclusion Resource Services (PIRS): The PIRS model connects participating licensed child care providers with a dedicated Resource Consultant who offers capacity building, brief, and ongoing consultation supports to program staff.

Program cost allocation: The maximum amount a provider can spend on eligible costs minus the base fee revenue. It is the sum of your adjusted benchmark allocation, plus any applicable top-ups.

Program staff: Staff employed in a position that supports child care ratio requirements as outlined in [O. Reg. 137/15 under the CCEYA](#). Program staff may be Registered Early Childhood Educators (RECE) or non-RECE, depending on whether they meet the RECE definition below.

RECE Supervisor: A RECE who holds a supervisor position, as indicated on the licence in accordance with O. Reg. 137/15 s. [53](#).

Registered Early Childhood Educator (RECE): A member in good standing of the [College of Early Childhood Educators](#) (CECE) as per the [Early Childhood Educators Act, 2007](#).

NEW. Registration fee: A common mandatory fee that a family pays when registering their child to secure a spot in the program. For the purposes of this guideline, registration fees that are applied to future services (such as the first month of service) are considered deposits.

Regular funding: The funding you received in 2024 and prior years, excluding any one-time top-ups.

Service day: A 24-hour period that begins in the calendar year, starting at the time the eligible centre first accepts children into care or at the end of the previous 24-hour period, during which the centre is enrolled in CWELCC and charges a base fee as outlined in the Parent Handbook, even if the centre is closed, such as on a statutory holiday.

Supervisor: Staff who works in a supervisor position. A supervisor must have Director's approval and meet licensing requirements outlined by the Ministry of Education.

Statutory benefits: The benefits that you must provide to your staff by the law such as: up to 2 weeks of vacation days, 9 statutory holidays, Canada Pension Plan (CPP),

Employment Insurance (EI), Employer Health Tax (EHT) if applicable, Workforce Safety and Insurance Board (WSIB) if applicable.

Top-up: Is an extra-amount that supplements the benchmark allocation of providers who qualify. In 2025, there are 2 types of top-ups: a legacy top-up and a growth top-up. See [Section 3: Funding components, flexibility, and budget management](#) to learn more.

Vacancy rate: The number of operating spaces in which no child is enrolled, divided by the total number of operating spaces in the eligible centre.

Wage floor: The minimum that a provider participating in the CWELCC plan must pay eligible RECE staff per hour.

Wage stability: The amount of funding a staff is eligible to receive to maintain their hourly wage in 2025.

Appendix 2

2025 CWELCC Funding Allocation Methodology

Your 2025 CWELCC estimated funding was calculated using the methodology described in the [Canada-wide Early Learning and Child Care \(CWELCC\) Allocation Guideline](#) and our October 30, 2024 memo.

January 2025: Estimated Allocation

Your estimated 2025 CWELCC allocation was calculated as follows:

- **Estimated benchmark allocation:** Based on the licensed and operating capacity you reported in June 2024 and the provincial benchmarks.
- **Legacy top-up:** If your legacy costs exceeded your benchmark allocation, you received a legacy top-up. Your legacy costs were calculated by:
 - Taking your 2023 Audited Financial Statements/Financial Annual Information Return (FAIR) costs and removing any school-age components.
 - Multiplying your revised 2023 FAIR amount by the Ministry's cost escalation factor of 1.0465 (1.02 if you opened in 2024).
 - Multiplying that revised 2023 FAIR amount to reflect increases to your operating capacity from October 2023 to June 2024 (if applicable).

Spring 2025 Update

In Spring 2025, your 2025 CWELCC funding allocations will be updated to include your:

- 2025 fixed costs: such as occupancy, lease, and insurance costs.
- Owner's compensation: for the organization's owner's compensation in lieu of labour.
- Updated Workforce Funding: Including Wage Enhancement Grant, and Workforce Compensation Fund (if required).
- EPS funding: For providers who did not use or receive EPS funding in 2023.

Note: Late submissions may cause delays in receiving any updated allocation.

Throughout the Year

We will monitor your operating capacity and make changes as needed.

Appendix 3

What is Included in Your Base Fees and Examples of Non-base Fees

A. What is Included in Your Base Fees

Base fees include any mandatory fees families must pay and include, at a minimum, the following services:

- Supervision by an adult during operational hours noted on the Child Care Licensing System (CCLS).
- Any programs or services that are included as part of your child care program and are part of the regular child care fees paid by families.
- Food/catering costs. Note: If a child receives care for 6 hours or more, you must ensure the food offered to the child includes 2 snacks in addition to any meals provided.
- Development and implementation of individualized plans (medical, special needs, anaphylaxis, etc.).
- Any other mandatory cost the family is required to pay to support the operation of the child care program such as registration and/or deposit fees. See [Section 4](#) of this guideline.

B. Non-base Fee Examples

- Non base fees are fees for items or services optional to families and cannot include anything that would impede a child's participation in the program should their family choose to opt out of the service. Examples of non-base fees include:
- Late pick up fees for child care provided beyond operational hours outlined in the Parent Handbook.
- Optional transportation and/or field trips where a separate fee is charged.
- Not Sufficient Funds (NSF) fees in accordance with the terms of the agreement between the family and child care centre. Diapers, sunscreen (if optional).
- Any other optional items or services where an additional fee is charged in accordance with the terms of the agreement between the family and provider such as optional French, music, or yoga classes.

Appendix 4:

Peel's Memo to Existing Child Care Staff

Updates made to meet accessibility requirements

December 12, 2024

Dear Program Staff,

In follow-up to the June 3, 2024 memo "Peel Region Memo to Child Care Staff - 2024 Canada-Wide Early Learning and Child Care (CWELCC) Workforce Compensation Funding", we are writing to provide some important updates regarding your wage in 2025.

Here is what you need to know.

Ministry Direction: On August 1, 2024, the Ministry of Education issued a memo which stated that effective January 1, 2025, General Operating Funding (GOF) must be factored into base wages before applying any additional wage enhancements, such as the Wage Enhancement Grant (WEG) and Workforce Compensation Funding (WCF).

- The GOF Staff Wages and Benefits (SWB) includes historical funding and pay equity.

Potential Impact: This change means that starting in 2025 GOF funding supports you currently receive may push you above the ceiling for additional wage enhancements. As a result, you may not qualify for a wage increase under the WCF. The 2025 WCF floor and ceiling include:

- Wage floor is \$24.86 for registered early childhood educator (RECE) program staff and \$25.86 for RECE child care supervisors.
- Wage ceiling is \$27 for RECE program staff and \$30 for RECE child care supervisors.

Wage Stability: If your GOF funding pushes your hourly wage to, or over, the 2025 WCF ceiling, your hourly wage as of December 31, 2024 will be held, ensuring that your pay will not decrease.

Example

To illustrate the changes, an example is provided on the next page comparing a RECE Program Staff current 2024 wage (Table 1), what the same staff would qualify for under the new 2025 approach, and how we ensure that 2024 wages are maintained (Table 2). In this example, staff must be held at the higher 2024 Total Hourly Wage.

Table 3. Example of 2024 Wage Calculation.

2024 Wage Item	2024 Hourly Wage Amount
Base Wage	\$17.20
Wage Enhancement Grant (WEG)	\$2
Subtotal of Base Wage and WEG	\$19.20
Workforce Compensation Fund (WCF) Annual Increase	\$2
WCF Wage Floor	\$2.66
Subtotal with WCF	\$23.86
GOF (SWB/Historical/Pay Equity)	\$3
2024 Total Hourly Wage	\$26.86

Table 2. Example of 2025 Wage Calculation.

2025 Wage Item	2025 Hourly Wage Amount
Base Wage	\$17.20
GOF (SWB/Historical/Pay Equity)	\$3
Subtotal of Base Wage including GOF	\$20.20
WEG	\$2
WCF Annual Increase	\$3
Subtotal with WEG and WCF Annual Increase	\$25.20
WCF Wage Floor	\$0.00
2025 Total Hourly Wage	\$25.20
Hourly Wage to Be Paid in 2025	\$26.86

In 2025, with the addition of GOF SWB and Historical/Pay Equity to the base wage, this staff person no longer requires WCF to meet the 2025 wage floor of \$24.86.

When you compare these 2 tables, the 2025 Total Hourly Wage is \$1.66 lower than the 2024 Total Hourly Wage. However, in this example, staff must be held at the higher 2024 hourly wage until they become eligible for additional increases

Wage Tool: Your employer will receive a tool that will help them estimate your 2025 wages based on the new wage approach.

Questions: If you have questions or concerns about your workforce funding amount, please speak to your employer.

If you still have concerns, please email: EarlyYearsSystemDivision@peelregion.ca using the subject line "Staff Workforce Compensation Inquiry" and include your employer's name.

Thank you for your continued dedication to support children and families in Peel Region.

Sincerely,

Early Years and Child Care Services
Peel Region

Appendix 5:



Peel's Memo to New Child Care Staff

January 2, 2025

Dear Program Staff,

Thank you for playing a pivotal role in shaping the future of children in Peel.

RECEs who work in licensed child care programs that are taking part in CWELCC, may receive higher wage increases through the 2 key provincial workforce funding sources: the Wage Floor and Wage Ceiling.

Here is what you need to know.

Wage Floor

In 2025, the starting wages for eligible RECE program staff increased to \$24.86 per hour. The starting wage for eligible RECE supervisors and RECE home child care visitors is \$25.86 per hour. This means if you earn less than the wage floor (including GOF¹⁴, WEG and the annual wage increase), you will receive workforce funds to bring your pay up to the floor.

Your employer will bring up the wages of all eligible RECE staff to the amounts shown below.

Wage Floor 2022 to 2026*	2022	2023	2024	2025	2026
RECE Program Staff	\$18	\$19	\$23.86	\$24.86	\$25.86
RECE Supervisors	\$20	\$21	\$24.86	\$25.86	\$26.86

Increase to the Wage Ceiling

The wage ceiling is the maximum wage that can be reached using workforce funding for the given year. The new provincial wage ceiling is shown below.

Wage Ceiling 2022 to 2026*	2022	2023	2024	2025	2026
RECE Program Staff	\$25	\$25	\$26	\$27	\$28
RECE Supervisors	\$25	\$25	\$29	\$30	\$31

*In addition to the hourly wage, staff must receive the associated benefits.

¹⁴ If applicable.

In 2025, RECE staff earning less than \$27 per hour (including GOF¹⁵ and WEG) and RECE supervisor and RECE home visitors earning less than \$30 per hour (including GOF¹⁶ and WEG) will receive the workforce wage increase funding up to \$3 per hour.

Please note that this is not a wage cap. Employers can choose to pay RECE wages above the ceiling.

You will receive your wage increases through the CWELCC program as part of your regular paystubs.

Questions

Please refer to the examples below of how the provincial workforce funding is calculated for eligible staff.

If you have questions or concerns about your workforce funding amount, please speak to your employer.

If you still have concerns, please email: EarlyYearsSystemDivision@peelregion.ca using the subject line "Staff Workforce Compensation Inquiry" and include your employer's name.

Thank you for your dedication to support children and families in Peel Region.

Sincerely,

Early Years and Child Care Services
Peel Region

¹⁵ If applicable.

¹⁶ If applicable.

CWELCC Workforce Funding Examples for New Staff

We have included some examples in this memo to show how to calculate the Workforce Compensation Funding (WCF) for different staff. These examples are for informational purposes only.

Note: Base wage does not include other wage enhancements such as the General Operating Fund or LHCC Base Funding.

Example: RECE program staff with a Base Wage of \$17.20/hour.

Workforce Compensation	Eligibility	Amount
Base Wage (employer paid)	NA	\$17.20
2024 General Operating Fund (GOF) if applicable	Amounts may vary based on your employer's distribution plan which should have been shared with you.	\$2.50
Subtotal		\$19.70
Provincial Wage Enhancement (WEG)	Yes, Base Wage plus GOF is less than the WEG maximum of \$32.81.	\$2
Subtotal		\$21.70
Annual Wage Increase (WCF)	Yes, Base Wage plus GOF, plus WEG is \$21.70, which is less than the 2025 Wage Ceiling of \$27	\$3
Subtotal		\$24.70
Wage Floor (WCF)	Yes, Base Wage plus GOF, plus WEG, plus the Annual Wage Increase is \$24.70, which is less than the 2025 Wage Floor of \$24.86	\$0.16
Total		\$24.86

Example: RECE Supervisor of a centre or RECE Home Child Care Visitor has a Base Wage of \$21 per hour.

Workforce Compensation	Eligibility	Amount
Base Wage (employer paid)	N/A	\$21
2024 General Operating Fund (GOF) if applicable	Amounts may vary based on your employer's distribution plan which should have been shared with you.	\$2.50
Subtotal		\$23.50
Provincial Wage Enhancement (WEG)	Yes, Base Wage plus GOF is less than the \$32.81 WEG maximum	\$2
Subtotal		\$25.50

Workforce Compensation	Eligibility	Amount
Annual Wage Increase (WCF)	Yes, Base Wage plus GOF, plus WEG is \$25.50, which is less than the 2025 Wage Eligibility Ceiling of \$30	\$3
Subtotal		\$28.50
Wage Floor (WCF)	No, Base Wage plus GOF, plus WEG, plus the Annual Wage Increase is \$28.50, which is over the 2025 Wage Floor of \$25.86	\$0.00
Total		\$28.50

Appendix 6:

How to Determine if Staff Qualifies for WEG

To determine if staff qualify for WEG and the amount they qualify for, follow these steps:

Step 1. Confirm staff eligibility.

Staff eligibility is based on staff position. To be eligible, staff must receive a T4 and hold one of the following positions:

- Program staff (position counted towards adult-child ratios under the CCEYA); or
- RECE supervisor position serving children younger than 6 years of age at a CWELCC eligible centre.

Refer to the list of [eligible positions](#) and [ineligible positions](#).

Step 2. Determine staff's hourly wage.

To determine if staff's hourly wage qualifies, add together (as applicable) staff's:

- Base hourly wage paid by the employer as of December 31, 2024. For clarity, this includes any employer paid wage increases that took place from January 1 to December 31, 2024.
- 2024 General Operating Fund (GOF) hourly wage enhancement. This includes the former Staff, Wages and Benefits (SWB), Historical and Pay Equity payments.

If the total is less than \$32.81 per hour, their hourly wage qualifies for WEG.

Step 3. Determine the hourly WEG amount

- Using the hourly wage determined in Step 2:
- If the hourly wage is \$30.81 per hour or less, then the staff qualifies for the full WEG wage enhancement of \$2 per hour.
- If the hourly wage is between \$30.82 and \$32.80, then the staff qualifies for the incremental amount needed to bring staff's hourly wage up to \$32.81. This is called partial WEG.
- If the hourly wage is \$32.82 or more, then the staff does not qualify for WEG.

Salary increases for WEG cannot exceed \$2 per hour or the wage maximum of \$32.81 per hour.

Step 4. Apply WEG wage increase

Apply the amount assessed in Step 3 to the hourly wage calculated on Step 2. The amount must be applied to all supported hours. Review the eligible positions and

hours supported section to the hours that must be supported for different staff positions.

Appendix 7:

How to Determine if Staff Qualify for WCF

To determine if staff qualify and the amount they qualify for, follow these steps:

Step 1. Confirm staff eligibility

Staff eligibility is based on staff position and qualifications. In general, [RECE's](#) employed (receiving a T4) in a RECE program staff or RECE supervisor position serving children younger than 6 years of age, qualify. Review the list of [eligible positions](#) and [ineligible positions](#).

Step 2. Determine staff's hourly wage

To determine if staff's hourly wage qualifies, add together (as applicable) staff's:

- Base hourly wage paid by the employer as of December 31, 2024. This includes any employer paid wage increases that took place from January 1 to December 31, 2024.
- 2024 General Operating Fund (GOF) hourly wage enhancement. This includes the former Staff Wages and Benefits (SWB), Historical and Pay Equity payments.
- Wage Enhancement Grant (WEG): up to \$2 per hour. As a reminder, to get WCF, staff must get WEG first.

If the total is less than \$27 per hour for RECE program staff or \$30 per hour for RECE supervisors, their hourly wage qualifies for the RECE wage increase.

Step 3. Determine the amount of the 2025 RECE wage increase

Using the hourly wage determined in Step 2:

- If the wage is \$24 per hour or less for RECE; and if wage is \$27 per hour or less for RECE supervisor, then the staff qualifies for the \$3 per hour wage increase.
- If the wage is more than \$24 per hour, but less than \$27 per hour for RECE program staff; and if wage is more than \$27 per hour but less than \$30 per hour for RECE supervisor, then the staff qualifies for the incremental amount needed to bring staff's hourly wage up to \$27 per hour (for RECE program staff) or \$30 per hour (for RECE supervisor).
- If the hourly wage is \$27 per hour or more (RECE program staff) or \$30 per hour or more (RECE supervisor), then the staff does not qualify for the wage increase. No further action is required.

Note: The 2025 provincial wage ceiling for the annual wage increase is \$27 per hour for RECE program staff and \$30 per hour for RECE supervisors.

Step 4. Apply 2025 wage increase to determine staff's revised hourly wage.

To calculate staff's revised hourly wage, including the annual wage increase, take the staff hourly wage from Step 2, and add the annual wage increase amount from Step 3.

Step 5. Determine staff eligibility for the RECE wage floor.

The 2025 wage floor is \$24.86 per hour for RECE program staff and \$25.86 per hour for RECE supervisors. If after Step 4, the staff earns:

- Less than the wage floor: they qualify for the amount needed to bring their hourly wage to the 2025 wage floor.
- The wage floor or more: they do not qualify for the wage floor. Skip to step 7.

Step 6. Apply 2025 wage floor.

Pay eligible staff at least the wage floor. To calculate the funding needed to bring up staff wages to the wage floor, subtract the staff's revised hourly wage (Step 4) from the 2025 wage floor (Step 5).

Step 7. Apply 2025 employer wage increases.

Apply 2025 employer wage increases after you applied the applicable WCF wage increases. Please note that 2025 employer wage increases impact WEG and WCF calculations for 2026.

NEW. Appendix 8:

Peel’s Memo Regarding Changes to Your Child Care Subsidy Payments (January 29, 2025)

Updates made to meet accessibility requirements

There are 2 key changes that service providers (centre-based and home child care agencies) will experience for CWELCC-eligible children:

- 1. Service providers will notice a decrease in the overall amount of funding received from child care subsidy, as daily subsidy payment amounts (after parental contributions) will be capped at \$22/day; and
- 2. Any remaining balance above the \$22/day rate cap for CWELCC-eligible children is to be expensed from the service providers’ CWELCC cost-based funding allocation.

Please note that these changes will not affect how service providers bill parents. Parents can continue to be billed for their parental contribution, as communicated by the Children’s Services Workers. This will also not affect non-CWELCC eligible programs, where the new municipal rate cap of \$22/day does not apply.

The impacts of the new CWELCC daily rate cap are demonstrated in the tables below, along with some helpful examples.

Table 4. Current state (2024)

Care Code	2024 Municipal Daily Rate	Daily Parental Contribution	2024 Daily Subsidy Payment
2001 19-30 months full-time	\$50	\$1	\$49
3601 4-5 years before school	\$15	\$1	\$14
4011 6-12 years before + after	\$25	\$1	\$24

Table 2. Future state (effective January 1, 2025)

Care Code	2025 Municipal Daily Rate	Daily Parental Contribution	2025 Daily Subsidy Payment	2025 CWELCC
2001 19-30 months full-time	\$22	\$1	\$21	\$28

Care Code	2025 Municipal Daily Rate	Daily Parental Contribution	2025 Daily Subsidy Payment	2025 CWELCC
3601 4-5 years before school	\$15	\$1	\$14 ¹⁷	\$0
4011 6-12 years before + after	\$25	\$1	\$24 ¹⁸	\$0

Example 1 - CWELCC-eligible Children

Under the current state, the municipal daily rate to support a CWELCC-eligible child under care code 2001 is \$50. The service provider would receive a daily parental contribution of \$1, while receiving the remaining balance of \$49 per day from Peel Region through a child care subsidy payment.

In 2025, the cost to support the same CWELCC-eligible child under care code 2001 remains \$50. The service provider would continue to receive a daily parental contribution of \$1, but the child care subsidy payment amount from Peel Region would change to \$21 per day (up to the \$22 per day rate cap). The remaining balance of \$28 per day is covered through the service provider's CWELCC cost-based funding allocation.

Example 2 - CWELCC-eligible Children Below the \$22 Per Day Rate Cap

Under the current state, the municipal daily rate to support a CWELCC-eligible child under care code 3601 is \$15. The service provider would receive a daily parental contribution of \$1, while receiving the remaining balance of \$14 per day from Peel Region through a child care subsidy payment.

Since the cost to support a CWELCC-eligible child under care code 3601 is below the \$22 per day rate cap, there is no change to the manner in which service providers receive parental contributions or child care subsidy payments from Peel Region.

Example 3 - Non-CWELCC-eligible Children

Under the current state, the municipal daily rate to support an ineligible CWELCC child under care code 4011 is \$25. The service provider would receive a daily parental contribution of \$1, while receiving the remaining balance of \$24 per day from Peel Region through a child care subsidy payment.

¹⁷ No change because current municipal rate is below the \$22/day rate cap.

¹⁸ No change because program is not eligible for CWELCC.

Since children under care code 4011 are ineligible for CWELCC, there is no change to the manner in which service providers receive parental contributions or child care subsidy payments from Peel Region.