

2025 Program Staff Top-up Funding guideline

Centre-based licensed child care providers



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Covers: January 1 to December 31, 2025



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Section 1: Overview

The 2025 Program Staff Top-up Funding (or “Top-up Funding”) supports eligible child care program staff by providing a one-time pay increase. This funding helps reduce wage compression and recognizes staff experience in licensed child care programs in Peel Region.

This funding is in addition to General Operating Funding (GOF). It does not affect other wage funding rules.

This guideline applies from January 1 to December 31, 2025.

What the Top-up Funding covers

The Top-up Funding:

- Applies to staff who work with children 12 years and younger.
- Is based on years of service as of November 1, 2025.
- Covers eligible program hours worked from January 1, 2025, to October 31, 2025.
- Must be paid to eligible staff by December 31, 2025.
- Must be used as described in this guideline.

GovGrants

We will provide funding through GovGrants under “2025 Program Staff Top-up Funding,” in the Staff Wages and Benefits budget category.

Section 2: Provider eligibility criteria

To receive funding, you must:

- 1) Be participating in the Canada-wide Early Learning and Child Care (CWELCC) plan as of August 31, 2025, and have a signed Early Years and Child Care (EYCC) Agreement.
- 2) Be a licensed child care provider in Peel Region serving children 12 years and younger.

- 3) Meet Ontario's minimum wage and mandatory benefit rules **without** using GOF, WEG or provincial funding. Only CWELCC funding may support minimum wage.
- 4) Be open and operating, unless closure is directed by Peel Public Health or the Province of Ontario.
- 5) Meet Peel Region's [Compliance Policy](#) by November 13, 2025.
- 6) Have shared a template reporting your programs hours and staff as requested by Peel Region.

Peel Region may review eligibility at any time. If the centre closes or changes ownership, we will decide if funding continues. See the [Early Years and Child Care Service Provider Handbook](#) for details.

Section 3: Funding rules

You must:

- 1) Pay only for eligible program hours worked from January 1 to October 31, 2025.
- 2) Pay all eligible staff by December 31, 2025.
- 3) Use funding only for staff in licensed [Child Care and Early Years Act \(CCEYA\)](#) spaces in Peel.
- 4) Not use the funding to make profit or savings.

Section 4: Eligible staff positions

Staff must:

1. Be employed in an eligible position and will receive a T4 or T4A for 2025.
2. Be actively employed on November 1, 2025.
3. Have program hours worked from January 1 to October 31, 2025.

Eligible roles

Eligible positions include:

- Registered early childhood educator (RECE) program staff.

- Non-RECE program staff and early childhood assistants.
- Director-approved program staff (for example, Montessori teachers).
- RECE and non-RECE supervisors and assistant supervisors.
- Supply and summer staff with regular casual employment status and a T4, when covering ratios.

Program staff

Program staff refer to staff employed in a position that supports child care ratio requirements as outlined in the [CCEYA](#) and the [O. Reg. 137/15](#).

Non-program staff

Non-program staff (who will be issued a T4 or T4A for 2025) qualify only if they spent 25% or more of their time supporting [CCEYA](#) ratios. Examples include:

- Bus drivers.
- Cooks.
- Custodians.
- Clerical staff.
- Owners or operators.

You must keep proof of hours, such as schedules or timesheets.

Third-party contracted staff do not qualify.

Program hours

Program hours include hours worked from January 1 to October 31, 2025, in:

- Time in ratio.
- Professional learning.
- Planning and set-up.
- Required meetings.

Do not include statutory holiday pay, vacation pay, sick time, or any hours outside licensed CCEYA programs.

Staff who left before November 1, 2025

You do not have to pay staff who left before November 1, 2025. You may choose to pay them if your funding allows.

Section 5: Payments to staff

Hourly Top-up rates

You must pay eligible staff an hourly rate based on their years of service working with your organization, plus incremental benefits associated with the Top-up Funding.

Hourly Top-up rates based on years of service (as of November 1, 2025)

Table 1. Hourly top-up rates.

Years of service (as of November 1, 2025)	Hourly Top-up rate
0 to 3 years	\$1.25
4 to 9 years	\$2.50
10 or more years	\$3.75

You must add Top-up Funding to existing wages. You cannot use it to replace or reduce scheduled wage increases.

Mandatory benefits

You must fund all required employer benefits, including:

- Canada Pension Plan (CPP).
- Employment Insurance (EI).
- Workplace Safety and Insurance Board (WSIB).
- Employer Health Tax (EHT) if applicable.
- Employee benefits, such as [vacation pay](#), if applicable (where for every salary enhancement, you have to add vacation pay).

Exclude public holiday pay from the Top-up Funding for January 1 to October 31, 2025.

You must follow your Human Resources Policy to meet any employer mandated benefits associated with the Top-up Funding.

Calculate the extra benefit cost for each eligible staff. Use your actual benefit rates.

You must not:

- Claim 17.5% benefits if your actual benefits percentages are lower than this amount.
- Use the funding to create new benefits (for example, an extra week of vacation).
- Keep benefit payments that must be paid to eligible staff (for example, vacation pay).

Contact your payroll professional to ensure benefit payments follow your Human Resources policies and all laws.

Example of a benefit rate calculation

An example of how to determine the benefits percentage for all eligible staff at Apples Child Care:

- 6% vacation pay.
- 5.95% CPP.
- 2.296% EI.

The total actual benefits rate would be 14.246%, assuming they have not met the annual CPP and EI maximum for the year.

Steps to calculate and pay staff

Use the 2025 Program Staff Top-up Funding Planning and Reconciliation Template to help you calculate the Top-up payments to eligible staff.

Step 1: Identify eligible staff

- Confirm eligible positions.
- Confirm each staff's years of service.

Step 2: Calculate eligible hours

Calculate each staff's program hours worked from January 1 to October 31, 2025.

Step 3: Apply the Top-up rate

Multiply each staff's total eligible program hours by the hourly Top-up rate based on years of service.

Table 2. Hourly Top-up rates based on years of service.

Years of service (as of November 1, 2025)	Hourly Top-up rate
0 to 3 years	\$1.25
4 to 9 years	\$2.50
10 or more years	\$3.75

Step 4: Add employer benefits

Add the actual incremental amount required to fund the employer portion of mandatory benefits and any employer mandated benefits. Refer to the benefits section for more information.

Step 5: Pay through payroll

Pay each eligible staff using your payroll and show it on their paystub as “One-Time Top-up Fund.” No cash, cheques, e-transfers, or gift cards.

Step 6: Notify staff

You must:

- Tell staff in writing by December 1, 2025. See Appendix B for a template and notice requirements.
- You must pay all Top-up Funding to staff by December 31, 2025. You may pay a lump sum or in installments. Funding cannot be carried into 2026.

Example of how to calculate payments to staff

Table 3. Example of how to calculate payments to staff

Eligible staff	Years of service	Eligible program hours	Top-up rate (\$ per hour)	Subtotal (\$)	Benefits (\$) *	Total (\$)
1	2	1,100	1.25	1,375	218.62 (15.9%)	1,593.62
2	4	1,250	2.50	3,125	437.50 (14%)	3,562.50
3	6	1,550	2.50	3,875	620 (16%)	4,495
4	3	1,600	1.25	2,000	280 (14%)	2,280

Eligible staff	Years of service	Eligible program hours	Top-up rate (\$ per hour)	Subtotal (\$)	Benefits (\$) *	Total (\$)
5	10	1250	\$3.75	4,687.50	667.97 (14.25%)	5,355.47

The incremental employer mandated benefit percentages used here are for example purposes only. Your benefits amounts could be higher or lower depending on your payroll structure and must be calculated based on your actual employer rates.

Section 6: Reporting and accountability

2025 Program Staff Top-up Funding Planning and Reconciliation Template

Submit your 2025 Program Staff Top-up Funding Planning and Reconciliation Template in [GovGrants](#). We will share the due date for you to submit your template at a later date.

In your template, you must report your actual:

- Total program hours worked for each eligible position.
- Wages paid for those hours with the Top-up Funding.
- Employer mandatory benefits (CPP, EI, WSIB, EHT) and any applicable vacation pay related to the Top-up Funding. Do not include vacation pay, statutory holiday pay, sick time, or any hours outside licensed CCEYA programs for January to October 2025.
- Total funding used.

Follow the reporting rules in Peel Region's [Service Provider Handbook](#).

Surplus funds

If you have surplus funding:

- The 2025 Program Staff Top-up Funding Planning and Reconciliation Template will automatically calculate the distribution of surplus funds equally for each staff.
- We will recover any unused funds through reconciliation.

Shortfalls

If your funding is not enough, complete the Top-up Calculator and email it to earlyyearssystemdivision@peelregion.ca by **November 27, 2025**. Shortfall requests may be approved based on available budget.

Section 7: Contact us

If your staff contact Peel Region about their Top-up payment, they will be referred to you first. We will follow up if needed. Questions?

Contact your Early Years Specialist or e-mail EarlyYearsSystemDivision@peelregion.ca.

Appendices

Appendix A: 2025 Top-up Funding approach

Funding calculation

Formula for each staff group:

- **Less than 3 years of service:** Total number of eligible program hours worked × \$1.50 + 17.5% benefits.
- **Staff with 4 to 9 years of service:** Total number of eligible program hours worked × \$2.50 + 17.5% benefits.
- **Staff with 10 or more years of service:** Total number of eligible program hours worked × \$3.50 + 17.5% benefits.

Data sources used

Data element	Source
Program hours	2024 Workforce Salary data* and a 1.5% contingency
Years of service	2024 Staffing Information Request for the GOF Enhancement*
Benefits rate	Provincial The 17.5% rate is for planning purposes only. You must calculate and report your actual benefit costs.

*If you did not submit in 2024, we asked you to submit a 2025 Staffing Enhancement template.

Appendix B: Staff communication

Notice requirements

You must notify staff in writing by December 1, 2025. If you do not use the sample template provided, your notice to staff must state:

- This is a one-time payment funded by Peel Region.
- Who is eligible and how the amount was calculated. The hourly rate is based on years of service and hours worked between January 1 and October 31, 2025.
- Staff payment will be issued by December 31, 2025.

Sample template to distribute to staff by December 1, 2025

[Date]

Dear staff,

Peel Region has provided one-time Program Staff Top-up Funding to help address wage compression in licensed child care. This funding is for 2025 only and may not be available in future years.

You are eligible if you worked program hours between January 1 and October 31, 2025, and you remain employed with [Provider Name] on November 1, 2025.

Your payment is based on your years of service with [Provider Name]. The hourly rate applied to your eligible hours is shown below:

Years of service (as of November 1, 2025)	Hourly Top-up rate
0 to 3 years	\$1.25
4 to 9 years	\$2.50
10 or more years	\$3.75

Eligible positions include:

- Registered early childhood educator (RECE) program staff.
- Non-RECE program staff and early childhood assistants.
- Director-approved program staff such as Montessori teachers.
- RECE and Non-RECE supervisors and assistant supervisors.
- Supply staff (with regular casual employment status and T4) covering ratios.

- Summer staff covering ratios.
- Non-program staff such as bus drivers, cooks, custodians, clerical staff who spend 25% or more of their time in ratio.

You will receive this payment through payroll by December 31, 2025.

If you have any questions, contact [Provider's HR Contact].

Thank you for your supporting children and families in Peel Region.

Sincerely,

[Provider Name]