

# CWELCC INFORMATION FOR CHILD CARE CENTRE BOARDS

## FREQUENTLY ASKED QUESTIONS

### What does the new CWELCC funding provide to our centre?

In simplest terms the CWELCC funding means that:  
Families of children 5 years and under will get a 25% reduction on their child care fees paid from April 1 2022 until the end of 2022. Beginning in 2023, centres will receive funds to lower fees an additional 25% - which means that in 2023, families of children under 5 years will pay 50% lower fees than they did prior to the introduction of the CWELCC system. Centres will also receive additional funds to supplement RECE wages if they have staff that make less than \$25 per hour. This includes a wage floor of \$18/hr retroactive to April 1 2022, and an additional \$1 per year up for all staff making under \$25/hr every year until 2025-2026

### When will we receive the funds to provide families the retroactive 25% reduction?

As of the updated Funding Guidelines published August 17 2022, there is now a standardized timeline across Ontario. Municipalities (as the service system managers) must process enrolment applications and confirm eligibility within 10 calendar days of receiving a program's application. The service system managers and licensees then have 30 calendar days from the date of application to execute an agreement for CWELCC funding. Once centres receive the funding, they have 20 calendar days to provide rebates to families.

### How does the municipality factor into child care and the new CWELCC program?

Ontario's municipalities have a long and important role in child care. Municipalities function as "service system managers" which means that they are responsible for administering and distributing provincial child care funding, managing fee subsidies and being the main point of contact for child care centres. In the new CWELCC program, this role has remained, and local municipal Children's Services will be the main point of contact who will provide the opt-in application, answer any questions, and administer funds.

In the 2023 Budget Submission process, municipalities will also be the ones who will review programs' budgets. Many municipalities have communicated their goal to work together with programs to ensure they have what they need to remain viable and to provide their quality programs.

### How does the 2022 opt-in process differ from the 2023 opt-in process??

2022 is a transitional year as the program gets off the ground. Funds will be provided to cover 25% of eligible parent fees paid between April 1 and December 31 2022 and to raise the wage floor of RECEs to \$18/hour. In 2023 a new funding formula will be introduced, and programs will submit their full budgets to their municipality and receive funding for fee reductions, and wage supports. Programs are able to opt in for 2022 and then opt out in 2023 if they wish, and families will still receive fee reductions for 2022.

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### How will the new wage improvement funds impact us? Wage floor (immediately)

There is a new wage floor for licensed child care programs which opt in to CWELCC. This means that centres will receive funds to ensure that no RECE would make less than \$18/hour and no RECE Supervisor would make less than \$20/hour. These funds will be retroactive to April 1 2022, and will be given along with the fee reduction funds when a centre opts in.

### Annual wage increase (2023)

If you have RECEs or Supervisors who currently make less than \$25/hour, they will be eligible for a \$1/hour wage top-up beginning in January 2023. This will continue to increase by \$1/hour each year until 2025-2026 for all RECEs who make under \$25/hour. There is no wage cap in the funding guidelines, which means centres will continue to be able to pay staff above \$25/hour.

### What do the new wage improvement funds mean for staff that make over \$25/hour?

The wage improvement funds are not a wage ceiling, or maximum wage for staff. Centres are still able to continue to pay staff their existing wages. There is also funding available for cost-of-living salary increases over time for all staff.

### Why would a primarily school-age program opt in?

The CWELCC funding is focused Canada-wide on children from ages 0 to 5. This means that in Ontario, families with children in Junior and Senior Kindergarten, and many in Grade 1 who are in licensed before and after school programs are still able to receive significant fee reductions - 25% retroactive to April 2022, and 50% beginning January 2023. Children who are six years old between January 1 and June 30th are also eligible to receive fee reductions until June 30th of this calendar year. For example, a family with a child who turns six in February and is in Senior Kindergarten will still receive a fee reduction up until June of their Senior Kindergarten year.

Opting into the CWELCC program also provides a centre access to the wage improvement funds for all RECE staff, regardless of the age group they work with. That means that if an RECE who works in an older school-age program is currently making \$23/hour, there will be funding to increase their wages to \$24/hour in 2023, and \$25/hour in 2024.

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### How do the wage improvement funds affect our existing Collective Agreements?

The new wage improvement funds are not meant to replace existing operational funding for wages, but are meant as a top-up to raise the floor. This means that existing wage agreements may continue, but centres should consult with independent legal advice.

### What should we tell our staff about the CWELCC program?

It's important to notify all your staff to let them know if you will be opting into the program. Staff should know that this will not result in salary cuts, or wage freezes, and there will still be planned salary increases.

RECE staff who make under \$25/hour (including the existing provincial wage enhancement grant) will be eligible for a \$1/hour top up in 2023, and RECE staff who make under \$18/hour currently will receive retroactive pay to bring them up to \$18/hour for all hours worked after April 1 2022.

### What should we tell our families about the CWELCC program?

It's required to tell all families if you will be opting into the CWELCC program or not. Once you have opted in, they can expect to receive cheques with their retroactive fee reductions within a few months (see detailed timeline on pg 1).

Families with children five and under should know that they will be receiving a rebate cheque or credit for the 25% fee reduction for eligible fees paid after April 1 2022. If a child has since turned six, but was five years old on April 1, they will receive funds for the period of time the child was eligible (i.e. five years old). All families of opted-in centres should receive their retroactive fee reduction payment by December 31 2022.

Let us know your thoughts. Email us any time at:

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\*Please note that this information is based on current funding guidelines as of August 29 2022 and further details about next year are expected to be available in the fall.