
Subject: Child Care and Early Years 2024 Operating Budget Adjustment

Report to: Public Health and Social Services Committee

Report date: Tuesday, May 7, 2024

Recommendations

1. That a gross operating budget adjustment in the amount of \$6,274,822 gross and \$0 net, to be fully funded through the Ministry of Education (MEDU), **BE APPROVED** to support Niagara's early years and child care system.

Key Facts

- The purpose of this report is to inform Council of the 2024 funding announcement received from the MEDU for Niagara Region's Children's Services and obtain approval of the related budget adjustment. An in-year receipt of funding must comply with By-law 2017-63, Budget Control, items 6.6(a), requiring Council's approval for any amounts received in excess of \$1.0M for operating programs.
- The MEDU confirmed additional funding of \$6.3M to Niagara's early years and child care funding allocation resulting in a total funding allocation for 2024 of \$114.3M.
- This increase is attributed to the Canada Wide Early Learning and Child Care (CWELCC) program (\$6.3M) and will be provided to the sector to support program priorities in accordance with provincial direction.

Financial Considerations

Niagara Region received additional funding of \$6.3M from the MEDU resulting in a total funding allocation for 2024 from the MEDU of \$114.3M. These are 100% MEDU funding dollars with no additional investments required from the regional tax levy. The revised 2024 Children's Services budget is summarized in the following table:

	2024 Regional Budget	2024 MEDU Budget Adjustment	Revised 2024 Regional Budget
2024 MEDU Funding	\$108.0M	\$6.3M	\$114.3M
2024 Gross Expenses	\$117.5M	\$6.3M	\$123.8M
2024 Niagara Region Levy*	\$9.5M	\$0	\$9.5M

*Includes indirect allocations

Children’s Services will invest the funding into the delivery of early years and child care services as per MEDU direction.

Analysis

On March 2024, the MEDU provided notification of additional funding of \$6.3 million for Niagara Region’s Children Services. This includes an investment of \$1.4M in funding to increase workforce compensation for the eligible Registered Early Childhood Educators (RECE) Program staff.

In 2024, the wage floor for eligible RECE Program staff was increased to \$23.86 per hour, and for eligible RECE Child Care supervisors and RECE Home Child Care Visitors¹ to \$24.86 per hour.

Further, CWELCC-enrolled child care licensees are required to bring up the wage floor of all eligible RECE staff for the given year, as provided in the following table:

¹ An employee of the home child care agency who will provide support at and monitor each premises and will be responsible to the licensee. This is a required role under the review the [Child Care and Early Years Act, 2014](https://www.ontario.ca/laws/statute/14c11) (CCEYA) <https://www.ontario.ca/laws/statute/14c11> and [Ontario Regulation 137/15](https://www.ontario.ca/laws/regulation/150137) General <https://www.ontario.ca/laws/regulation/150137>

Hourly Wage Floor 2022 to 2026	2022	2023	2024	2025	2026
RECE Program Staff	\$18.00	\$19.00	\$23.86	\$24.86	\$25.86
RECE Child Care Supervisors or RECE Home Child Care Visitors	\$20.00	\$21.00	\$24.86	\$25.86	\$26.86

In addition, RECE program staff, supervisors, and home child care visitors are eligible of a \$1 increase up to the wage cap as per the following table.

Wage Eligibility Ceiling 2022 to 2026	2022	2023	2024	2025	2026
RECE Program Staff	\$25.00	\$25.00	\$26.00	\$27.00	\$28.00
RECE Child Care Supervisors or RECE Home Child Care Visitors	\$25.00	\$25.00	\$29.00	\$30.00	\$31.00

The workforce compensation will be flowed in accordance with provincial guidelines and is retroactive to January 1, 2024.

An investment of \$0.4M, of the new allocation, in professional learning is provided by the MEDU to improve recruitment and retention of RECEs and other program staff working in licensed centre- and home child care and EarlyON Child and Family Centres and to support the implementation of the CWELCC agreement.

An additional \$0.6M to support CWELCC enrolled child care operators with non-discretionary costs is also being provided. Lastly, an additional \$3.9M to support with the start-up costs of the ongoing CWELCC expansion is included in this new funding.

Alternatives Reviewed

Should the budget adjustment not be approved, the unspent funds would have to be returned to the provincial government, resulting in less funding to the local licensed child care system and threaten the on-going implementation of CWELCC.

Relationship to Council Strategic Priorities

Council Strategic Priority: Effective Region

Objective 1.3 – Deliver fiscally-responsible and sustainable core services

Other Pertinent Reports

- [COM10-2024 Canada-Wide Early Learning and Child Care Program Update](#)
- [COM 3-2024, Child Care and Early Years 2023 Operating Budget Adjustment](#)
- [COM 19- 2023 Canada-Wide Early Learning Child Care Expansion Plan](#)

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