
Subject: Canada-Wide Early Learning and Child Care Program Update

Report to: Public Health and Social Services Committee

Report date: Tuesday, April 9, 2024

Recommendations

1. That an update on the Canada-Wide Early Learning and Child Care program **BE RECEIVED** for information; and
2. That the addition of two (2) new permanent full-time positions in Children's Services, a CWELCC compliance position, and a Licensed Home Child Care Advisor, for a total gross cost of \$199,102 fully funded through provincial funding **BE APPROVED**, in order to meet provincial requirements for the Canada-Wide Early Learning and Child Care program.

Key Facts

- The purpose of this report is to provide an updated on the Canada-Wide Early Learning and Child Care (CWELCC) program and request approval of two (2) new permanent full-time equivalent (FTEs) as required under the Niagara Region's Corporate Delegation of Authority Policy (C-HR-005), which requires Council approval for new FTEs.
- In March of 2022, the Ministry of Education (MEDU) released information on the CWELCC program, aimed at reducing child care fees and increasing workforce compensation.
- To date, child care fees have been reduced by 52.75% across the province for child care operators that have opted in to the CWELCC program.
- The CWELCC program also seeks to enhance the compensation of the child care workforce by establishing a wage floor and providing an annual \$1 increase to eligible staff to a cap of \$22 for Registered Early Childhood Educators and \$24 for Supervisors.
- Niagara Region's has been allocated 4,067 new child care spaces to be developed by 2026. Niagara Region achieved its 2023 child care spaces expansion target of 591 spaces and has approved 81 percent of the 1,502 child care spaces allocated for 2024.

- Two (2) staffing positions are being requested to meet the provincial requirement to audit child care operators funded under the CWELCC program and support the growth of the licensed home child care service providers with the Niagara Region's Licensed Home Child Care Agency, where new homes have increased by 31 homes with the expansion plan.
- The annual estimated cost of the two (2) requested permanent positions is \$0.2M inclusive of all benefits. These costs will be 100% funded by the allocation of provincial administrative funding included in Children's Services 2024 Budget, with no impact to regional levy.

Financial Considerations

In 2024, Niagara Region received a funding allocation from the MEDU of \$108.0M, of which \$59.9M is for the CWELCC, \$48.1M is for other child care services, and \$9.5M is the regional contribution (including indirect allocations).

As noted in *COM 3-2024, Child Care and Early Years 2024 Operating Budget Adjustment* the Children's funding formula now limits administration at 5%, where the previously allowable administration amount was 10% in prior year. The Region has not fully leveraged all of the allocation of administration funding in the past, and currently is estimating to use approximately 4.5% as monies are prioritized to community child care agencies to support access and affordability to child care. While the positions being requested through this report can be accommodated within the allocation of administration funding, Children's Services remains concerned that overall reduced administrative funding with increased CWELCC expectations, will result in a further pressure to an already stretched system.

The annual estimated cost of the two (2) requested permanent positions is \$0.2M inclusive of all benefits. These costs will be 100% funded by the allocation of provincial administrative funding included in Children's Services 2024 Budget, with no impact to regional levy.

Analysis

CWELCC Implementation Update

Approximately 97 percent of the eligible licenced child care spaces or 96 percent (174 of 181) of the eligible child care licenses have enrolled into the CWELCC program in Niagara Region. For the child care operators that are participating in the CWELCC

program, the average fee of the eligible age group (0 to 6 years) has decreased from \$43.48 in March 2022 to \$29.33 in March 2024.

The second key component of the CWELCC program is workforce compensation, which establishes a wage floor for eligible staff until 2026. For 2024, the wage floor for Registered Early Childhood Educators (RECEs) is set at \$20 and at \$22 for a RECE Supervisor. According to the current CWELCC direction, the wage floor will increase to \$22 and \$24 per hour, respectively, by 2026. The workforce compensation also includes an annual \$1 increase, up to a wage cap of \$25 per hour. As noted in *COM 3-2024, Child Care and Early Years 2024 Operating Budget Adjustment*, in November 2023, the MEDU also announced an Ontario Child Care Workforce Strategy, which seeks to increase the wage of RECEs in the CWELCC program to \$23.86 per hour in 2024. Niagara Region is currently waiting provincial guidance and the associated funding to implement the provincial Workforce Strategy.

One of the key provincial requirements of the CWELCC program is for municipal service managers to undertake audits on a random sample of licensees in receipt of CWELCC funding, on an annual basis. The objective of these audits is to confirm the funding provided to the child care operator has been used to achieve the goals of CWELCC, including reduced fees and workforce compensation. In order to fulfil this provincial requirement, a new permanent full-time position is required in Children's Services. The position will be funded using provincial funding provided for the implementation of the CWELCC program and can be accommodated within the Children's Service's approved 2024 budget.

CWELCC Expansion Update

As reported in *COM-19-2023, Canada-Wide Early Learning and Child Care Expansion Plan*, in late 2022, the MEDU released information on the plan to support expansion of CWELCC eligible childcare spaces and confirmed Niagara Region's allocation of 4,067 new child care spaces, to be developed between 2022 and 2026.

Niagara Region was allocated funding to support the expansion of 357 child care spaces for 2022 and 591 child care spaces for 2023. Niagara Region has achieved the 2022 and 2023 space targets and has approved 81 percent of the 1,502 child care spaces allocated to Niagara Region for 2024. The cumulative impact of total spaces approved to date includes the addition of 1,764 new CWELCC spaces in child care centres and 408 new CWELCC spaces in licensed home child care, of which 246 new spaces are with Niagara Region Licensed Home Child Care Agency.

To accommodate the growth in number of Home Child Care Providers in licensed home child care, a new permanent full-time position, Home Child Care Advisor, is required in Children's Services. This is a mandatory role as per provincial requirements. Home Child Care Advisors have a caseload of Home Child Care Providers and are accountable for a range of mandatory functions such as monitoring compliance with Regional policies and provincial legislation, ensuring the health, safety and well-being of all children in care, acting as liaison between the family and Home Child Care Provider, coaching and mentoring the Home Child Care Provider, and supporting the enrollment of new families. The position will also be funded using provincial funding provided and can be accommodated within the approved Children's Services 2024 budget.

Alternatives Reviewed

Without the two (2) additional staff (one to support auditing requirements and one to support increased home childcare providers), Niagara Region will be at risk of not meeting provincial auditing requirements for CWELCC program, and no further expansion of licensed home child care providers with the Niagara Region Licensed Home Child Care Agency will be feasible.

Relationship to Council Strategic Priorities

Council Strategic Priority: Effective Region

Objective 1.3 – Deliver fiscally-responsible and sustainable core services

Council Strategic Priority: Prosperous Region

Objective 4.4 – Be an effective and unified voice to advocate with senior governments on behalf of Niagara

Other Pertinent Reports

- [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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