

## 2023 Canada-Wide Early Learning and Child Care (CWELCC)

### QUESTIONS & ANSWERS

Released: December 19, 2022

The information in this Q&A document is aligned with the Ministry of Education’s 2023 CWELCC Guideline released on December 5, 2022. This document is intended for all licensed child care providers participating in Peel’s CWELCC program.

This document has been updated to reflect questions raised at the Region’s EYCC teleconference on December 8, 2022 regarding 2023 EYCC funding. For ease of reference, all updates are highlighted in yellow.

#### **Don’t see your question?**

Please email the Region at: [EarlyYearsSystemDivision@peelregion.ca](mailto:EarlyYearsSystemDivision@peelregion.ca) or contact your Early Years Specialist (EYS).

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## 2023 CWELCC FEE REDUCTION FUNDING AND PARTICIPATION

### 1. Do I need to submit an EOI to opt in for 2023?

- If you have been approved to participate in the 2022 CWELCC program, you do not need to submit another EOI to opt in to the 2023 program.
- For child care providers who did not opt in for 2022 and are looking to participate in 2023, we are working on a 2023 process and will release details once available.

### 2. If I opted in for 2022 and was approved to participate, can I opt out in 2023?

- Participating in the CWELCC program is optional for service providers.
- Service Providers can decide to opt out at any time from the CWELCC program, ensuring to provide the Region at least 60 business days' notice.
- To officially opt out of CWELCC for 2023, you must do the following:
  1. Send an email to your Early Years Specialist notifying them of your intention to opt out. An opt out form will be shared with you.
  2. Complete and submit the opt out form to [EarlyYearsSystemDivision@peelregion.ca](mailto:EarlyYearsSystemDivision@peelregion.ca).
  3. Inform the Ministry of your intention to opt out of the 2023 CWELCC program.
  4. Communicate this decision to your families and staff at least 30 calendar days before your effective termination date.
- Upon termination of your CWELCC Agreement, you must return any funding advanced by the Region which was not spent through the reconciliation process.

### 3. When can I expect to receive my 2023 CWELCC Agreement?

- On December 8, 2022, you should have received a GovGrants notification with your 2023 CWELCC Agreement and fee reduction funding allocation. You must sign your Agreement through GovGrants by December 12, 2022 to receive monthly payments beginning January 2023.
- Beginning January 1, 2023, you must reduce your approved base fees by 52.75%, but not less than a fee of \$12/day, for eligible children. Your approved base fees were determined in the Region's Expression of Interest (EOI) process and communicated to you through a letter from the Region in the summer/fall of 2022.

### 4. Is the revenue replacement approach for 2022 the same for 2023 onwards?

- The province has confirmed that the revenue replacement approach will continue for 2023. This means that any revenue lost as a result of reducing fees will be replaced with CWELCC funding if you participate in Peel's CWELCC program throughout 2023.

### 5. Do I need to submit audited financial statements in 2023?

- Yes, the ministry has indicated that financial statements are required for all participating service providers in 2023. The Region provided funding to eligible providers in 2022 to support this cost.

### 6. Will 2023 CWELCC fee reduction funding be based on licensed or operating capacity?

- The GovGrants announcement that you received on December 8, 2022 include your funding allocation for 2023 to support the CWELCC fee reduction. This funding allocation is based on

your licensed capacity. The Region is currently working on a process for Service Providers to report operating capacity, details will be shared at a later date.

**7. The Ministry's guideline notes that they are holding back 5% of all SSMs 2023 funding, including CWELCC. Will this affect our funding allocations?**

- The 5% hold back announced by the ministry will not impact your funding allocations.

**8. Will the Region share a tool to calculate the 2023 fee reduction for eligible children?**

- Yes. We will post a 2023 Calculator on our website in the coming weeks to support you with calculating the fee reductions for eligible children

**9. Who is eligible for the 2023 CWELCC fee reduction program?**

- The age eligibility rules in 2023 are the same as in 2022.
- Participating child care providers will receive fee reduction funding to reduce fees for families with eligible children who:
  - Are less than 6 years old, regardless of the licensed age group they are enrolled in.
  - Turn 6 years old between January 1 and June 30 will be eligible until June 30 of that calendar year if they are enrolled in a licensed infant, toddler, preschool, kindergarten, family age group, or licensed home child care;
  - Turn 6 years old between July 1 to December 31 will be eligible until the end of the month they turn 6 years old. Example: if the child turns 6 on October 12, 2023, they would be eligible until October 31, 2023.
- Children enrolled in a centre based licensed school age program who turn 6 years old between January 1 and June 30 would be eligible only until the end of the month they turn 6. Example: if the child turns 6 on April 15, 2023, they would be eligible until April 30, 2023.
- Both families who pay full-fee and families that receive fee subsidies can participate.

## FAMILIES IN RECEIPT OF FEE SUBSIDY

**10. Are families in receipt of fee subsidy eligible for the fee reduction?**

- Yes. Families in receipt of subsidy with children enrolled in participating programs will receive a 50% fee reduction on their parent contribution paid for eligible children, even if their contribution is less than \$12/day.
- We will determine the reduced parent contribution for 2023 for each eligible child in receipt of subsidy and will share this information with you by December 16th.

**11. Will my fee subsidy rate change?**

- The Region will be moving to one tier subsidy rates as of January 2023 for CWELCC enrolled programs. This means that your municipal rate will equal your approved market rate for the CWELCC program.

## CHILD CARE FEES

**12. Will the Ministry lift the freeze on child care fees in 2023?**

- The base fees approved through your EOI process will become your fees for the CWELCC program moving forward.
- Because your base fees and non-base fees are frozen (according to regulations), you will receive inflationary funding in 2023 to cover increases in costs and ensure revenue replacement. Similar to 2022, the Region is exploring how we will support inflationary costs in 2023. More information will be provided January 2023.

**13. Can registration fees be increased or are these fees frozen?**

- Registration fees and deposit fees are both frozen (according to regulations), similar to child care fees. We will share information on funding to support inflationary costs in January 2023.

**14. Why are fees being further reduced by 52.75% beginning in January 2023 and not 50%?**

- The Ministry memo (released October 18, 2022) speaks to fees being reduced further by 52.75% by January 1, 2023.
- This is the amount needed by the province to meet their commitment to the federal government to reduce 2020 fees by an average of 50%.
- Fee reductions for 2022 is 25%, an additional reduction will be applied in 2023 which will bring the overall fee reduction to 52.75%.
- See Appendix A on page 7 in the Ministry's memo for more details.

**15. Are we required to reduce registration fees in 2023?**

- Similar to 2022, you are required to reduce registration fees by 52.75% for 2023 for all eligible families in Peel.

**16. Should discounts (e.g. siblings or staff) be reduced for eligible children?**

- Families with eligible children are entitled to a 52.75% rate reduction on the actual parent fees paid. For example, if your approved base rate for child care is \$100/day, and the parent receives a discount of 20% off (or \$20 off), the provider should reduce their base rate by 52.75% of the \$80/day paid by the parent after the discount.
- The calculator tool is updated to support you with these calculations.

**17. Can I discontinue offering discounts for siblings/staff as part of the program?**

- Yes, it is your decision to continue offering discounts to families/staff as part of your program.
- If you decide to discontinue discounts, we strongly recommend that you:
  - maintain sibling discounts for school-age children (as in your existing policy) as they are not eligible for the CWELCC program; and
  - change your discount policy on January 2023 to align with the implementation of the 52.75% fee reduction to reduce the impact for families.
- You must communicate any changes related to discount policies to families in advance. Your parent handbook must be updated to reflect the change and shared with families.

**INFLATION/FUNDING TO SUPPORT COST ESCALATION**

**18. How is the Region supporting inflationary costs in 2023?**

- An inflationary increase of 2.75% will be provided to all enrolled service providers in 2023 to

cover increases in costs. The ministry has indicated the 2.75% will be provided on full operational costs, not just the portion supported by CWELCC.

- Similar to the approach taken in 2022, the Region will be exploring what additional funding can be provided to support cost increases over this inflationary amount. More information will be provided in January 2023.

## REPORTING REQUIREMENTS/ACCOUNTABILITY

### 19. If I have funds remaining in my 2022 CWELCC allocation, including unused administration funding, will it be recovered and reconciled in 2023?

- 2022 CWELCC Fee Reduction funding as well as the audit component of the Transition Grant (for those who qualify) will be reconciled in 2023 and any unused funding will be recovered.

## CWELCC WORKFORCE COMPENSATION FUNDING

### 20. How should child care providers determine if eligible staff qualify for the CWELCC Workforce Funding in 2023?

- You should use the following order to determine if staff qualify:
  1. 2022 base wage (by employer)
  2. WEG (\$2/hour)
  3. CWELCC annual wage increase \$1/hour, up to \$25/hour
  4. CWELCC incremental wage floor, if applicable, up to \$19/hr for RECE Staff and \$21/hr for RECE Supervisors and Home Visitors.

#### Important:

- The requirement previously communicated by the Ministry to include any grants under General Operating Funding in the calculation to determine a staff's eligibility has been removed for 2023.
- The requirement to include any employer increases in the calculation to determine a staff's eligibility has also been removed.
- These changes are the result of our collective advocacy and means more staff will see wage increases in 2023.

### 21. When can I expect to receive more information about the 2023 CWELCC Workforce Compensation funding (i.e., wage floor, annual increase, and minimum wage offset)?

- We continue to review the Ministry's guideline released on December 5 and will release more information in January 2023.

### 22. Can I begin to process increases to staff while I wait for the Region's direction?

- We strongly recommend you do not process any CWELCC increases to your staff until we confirm direction in January 2023.
- We recognize this means that you will be applying payments retroactively; however we will work to release the information as quickly as possible. We will also share a tool to help you calculate CWELCC wage increases for eligible staff in 2023.

- Stay tuned in January 2023 for more information.

**23. Do Education Assistants or Montessori teachers qualify for this program?**

- The ministry's guidelines allow RECEs, RECE supervisors and RECE home child care visitors to qualify for the Wage Floor Increase and the Workforce Enhancement of \$1/hour in 2023.

**24. Will the Wage Enhancement Grant (WEG) and General Operating Funding (GOF) continue in 2023?**

- Yes, funding for WEG and GOF will continue in 2023. For information about 2023 funding for these programs, refer to our website for the 2023 WEG Guideline and 2023 GOF Guideline. Supporting Q&A resources for these programs will also be posted on our website.

**25. Will there be any minimum wage offset funding to support the 50-cent increase from \$15 to \$15.50 (effective Oct 1, 2022)?**

- Yes, funding will be available to offset minimum wage for the following positions:
  - Non-RECE Program Staff
  - Non-RECE Child Care Supervisor
  - Non-RECE Home Child Care Visitor
- In addition, to be eligible for a minimum wage offset, licensees must employ staff in positions that were earning less than \$15.50 per hour (not including WEG funding) on September 30, 2022. Positions created after September 30, 2022, are not eligible for the minimum wage offset.