



CITY OF HAMILTON
COMMUNITY & EMERGENCY SERVICES DEPARTMENT
Children's & Home Management Services Division

TO:	Chair and Members Emergency & Community Services Committee
COMMITTEE DATE:	March 7, 2016
SUBJECT/REPORT NO:	Provincial Wage Enhancement Allocation (CES16018) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Grace Mater (905) 546-2424 ext. 4979 Dawn Meitz (905) 546-2424 ext. 3587
SUBMITTED BY:	Joe-Anne Priel General Manager Community & Emergency Services Department
SIGNATURE:	

RECOMMENDATION

- (a) That the City of Hamilton accept the 2016 Child Care Wage Enhancement funding in the amount of \$7,276,248 (100% Provincial) from the Ministry of Education; and,
- (b) That the General Manager of Community & Emergency Services Department or designate be authorized to execute the 2016 Wage Enhancement Service Agreements with child care operators in a form satisfactory to the City Solicitor.

EXECUTIVE SUMMARY

In January 2015, the Province announced a province-wide investment of \$269 million over three years to support a wage enhancement for the licensed child care sector. The City of Hamilton received \$7,276,248 (100%) funding from the Ministry of Education in its 2016 allocation for the second year of the wage enhancement initiative.

The goals of the wage enhancement initiative are to:

- Close the wage gap between Registered Early Childhood Educators (RECEs) working in the publicly funded education system and those in the licensed child care sector;
- Help stabilize child care operators by supporting their ability to retain RECEs and non-RECE program staff; and,
- Reduce poverty by supporting greater employment and income security.

This funding will be used to provide eligible staff in the licensed child care sector with up to \$2.00/hour in wage enhancement.

Alternatives for Consideration –Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial:

The City of Hamilton received \$7,276,248 funding from the Ministry of Education for the wage enhancement initiative. These are 100% Provincial funds and there are no cost sharing requirements on the City.

Child care operators will be required to complete an application and funds will be allocated based on the number of eligible staff positions. The Ministry of Education has committed to increasing the 2016 wage enhancement allocation to the City, should the number of eligible staffing positions exceed its initial estimates. Likewise, if the number of positions is less than anticipated, the Ministry will recover these funds from the City. The application and reconciliation processes will be comprehensive and will require significant analysis to confirm the eligible funding for each individual operator.

The wage enhancement initiative is intended to be an ongoing investment however the Province has only committed to the funding for three years. This is the second of three years of the initiative.

Staffing:

There are no staffing implications associated with Report CES16018.

Legal:

The 2016 Child Care Service Agreement has been received from the Ministry of Education and has been forwarded to Legal Services for review. Once approval is received from Legal Services the agreement will be executed.

HISTORICAL BACKGROUND

The Ministry of Education included an investment of \$269 million over three years in the 2014 provincial budget to support a wage enhancement for the licensed child care sector. The purpose of the investment is to reduce poverty, stabilize child care operators, and close the wage gap between RECEs working in the education system and those working in licensed child care. On January 20, 2015, the City received the first year funding allocation and implementation details for the first year of the initiative.

The first year of the wage enhancement initiative was considered a transition year and the Ministry of Education provided opportunities for municipalities to inform the rollout of the second year. On January 19, 2016, the city received the allocation and implementation details for 2016.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

There are no policy or legislative implications associated with report CES16018.

RELEVANT CONSULTATION

Since the announcement of the wage enhancement initiative, Children's & Home Management Services Division have kept in communications with all child care operators and the Best Start Network, providing details about the initiative. In 2015 staff held training sessions that provided all child care operators with the opportunity to learn about the wage enhancement and receive assistance with the application process. Staff are committed to keeping operators well-informed as the process moves forward in 2016. All information is required to be posted publicly on the City's website.

ANALYSIS AND RATIONAL FOR RECOMMENDATION

Wage enhancement funding will be available to eligible child care program staff working in licensed child care centres as well as licensed private home day care home visitors and providers whose positions can be counted towards adult to child ratios under the Child Care and Early Years Act, 2014.

The wage enhancement funding will support an increase of up to \$2/hour in 2016, to a cap of \$26.27/hour, plus 17.5% benefits. This hourly wage maximum aligns with the top of the existing school board Educator Salary Matrix for RECEs working in Full Day Kindergarten. Home child care providers are eligible for up to a \$20/day increase.

The wage enhancement funding is attached to positions that existed within a licensed child care centre or home child care agency between January 1, 2014 and December 31, 2015. Positions that were created in 2016 after this date will be eligible to apply for funding in 2017.

The City is required to post the application template on its website for a minimum of 45 days. Operators will be required to complete the application template no later than March 31, 2016. Children's & Home Management Services Division expects to distribute the 2016 funds to operators in the spring of 2016. The funds will be retroactive to January 1, 2016.

Child care operators will also be required to complete an attestation form which states that the funds were provided to child care staff, in addition to their wage rate effective January 1, 2016.

ALTERNATIVES FOR CONSIDERATION

None

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN

Strategic Priority #1

A Prosperous & Healthy Community

WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.

Strategic Objective

- 1.5 Support the development and implementation of neighbourhood and City wide strategies that will improve the health and well-being of residents.

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

- 2.3 Enhance customer service satisfaction.

APPENDICES AND SCHEDULES ATTACHED

None