



WORKFORCE COMPENSATION GUIDELINES

Licensed Child Care Providers
Serving Children from 6 to 12 years

PRESENTED BY

DNSSAB CHILDREN'S SERVICES - 2025

District of Nipissing
Social Services
Administration Board



Conseil d'administration
des services sociaux
du district de Nipissing

Table of Contents

WORKFORCE COMPENSATION	3
PURPOSE	3
ELIGIBILITY	3
FUNDING	3
WORKFORCE COMPENSATION ORDER OF OPERATIONS	4
ORDER OF OPERATIONS EXAMPLES RELATED TO THE RECE PROGRAM STAFF ...	4
ANNUAL WAGE INCREASE	5
WAGE CEILING FOR ANNUAL WAGE INCREASE (PER HOUR).....	5
WAGE FLOOR	7
HOURLY WAGE FLOOR FROM 2022 TO 2026.....	8
ELIGIBILITY	8
INELIGIBLE POSITIONS.....	10
DIRECTOR APPROVED STAFF	11
ALIGNMENT WITH CHILD CARE WAGE ENHANCEMENT GRANT.....	11
IMPLEMENTATION.....	11
STATUTORY BENEFITS & FLEXIBILITY.....	12
PAYMENT TO SERVICE PROVIDERS	13
MINIMUM WAGE OFFSET	13
ELIGIBLE POSITIONS.....	13
INELIGIBLE POSITIONS.....	14
IMPLEMENTATION.....	14
STATUTORY BENEFITS & FLEXIBILITY.....	14
PAYMENT TO SERVICE PROVIDERS	15
RECONCILIATION.....	15



WORKFORCE COMPENSATION

PURPOSE

Workforce compensation Funding is focused on supporting child care staff who are lower wage earners. Increased compensation for lower wage earners is intended to help support the recruitment and retention of RECEs working in the licensed child care sector as part of a provincial strategy to achieve system growth and ensure increased access to high quality licensed child care. It includes:

- Compensation enhancements for RECEs which includes an annual wage increase and wage floor increases.
- Support to Service Providers serving children from 6 to 12 years, for non-RECE staff which includes minimum wage offset to support with the minimum wage increases that came into effect October 1, 2022, and October 1, 2023.

ELIGIBILITY

Licensed child care centres and home child care agencies enrolled in the Canada-Wide Early Learning and Child Care (CWELCC) program, serving children aged 0 to 5, will receive Workforce Compensation funding through Cost-Based Funding. For these centres and agencies, the Funding for Eligible Positions serving children aged 0 to 5 is incorporated into the benchmarks of cost-based funding.

Licensed centres or home child care agencies enrolled in CWELCC and serving children aged from 6 to 12 are eligible to receive Workforce Compensation Funding through Local Priorities Funding.

FUNDING

Funding to meet Workforce Compensation requirements by eligible centres and agencies will be allocated through two different funding streams:



- Benchmark allocations under cost-based funding for positions serving children aged 0 to 5 years.
- Local Priorities Funding for positions serving children aged 6 to 12 years.

Funding to support workforce compensation requirements should not interfere with a service provider’s salary and compensation decisions or practices.

WORKFORCE COMPENSATION ORDER OF OPERATIONS

To determine annual wage floor increase eligibility, Service Providers must follow this order of operations:

- 1) Base wage by employer (includes any employer-based wage improvements such as obligations from collective agreements and minimum wage increases),
- 2) WEG (\$2 per hour, up to a maximum of \$32.81 per hour as per the Early Years and Child Care guideline),
- 3) Annual wage increases of \$1 per hour, compounded year over year, up to \$27 per hour for RECE Program Staff and \$30 per hour for RECE child care supervisors or RECE home child care visitors.
- 4) Incremental wage floor increase, if applicable.

ORDER OF OPERATIONS EXAMPLES RELATED TO THE RECE PROGRAM STAFF

Year	Base Wage per Hour	WEG	Annual Wage Increase	Wage Floor Increase	New Wage*
2022	\$18.50	\$2	\$0	\$0	\$20.50 ¹
2023	\$19.00	\$2	\$1	\$0	\$22.00
2024	\$19.50	\$2	\$1+1	\$0.36	\$23.86
2025	\$20.00	\$2	\$1+1+1	\$0	\$25.00

¹In 2022 the CWELCC Wage Floor was limited to \$18 per hour.

*In addition to the hourly wage, staff are required to receive benefits.



ANNUAL WAGE INCREASE

Service Providers are required to increase the hourly wage of Eligible Staff by \$1 per hour plus benefits, on January 1st of each year from 2024 to 2026, inclusive, up to the annual wage eligibility ceiling as described in the Wage Ceiling for Annual Wage Increase table below.

In 2025, the wage eligibility ceiling is set to a maximum of \$27.00 for RECE Program Staff and \$30.00 for RECE Child Care Supervisor or RECE Home Child Care Visitor.

To be eligible for an annual wage increase, the staff must:

- be receiving Wage Enhancement (WEG);
- be employed by a child care Service Provider that is participating in the CWELCC System or exclusively serving children 6 to 12 years of age in a position categorized as:
 - RECE Program Staff
 - RECE Child Care Supervisor
 - Home Child Care Visitor;
- have an hourly wage (base wage plus WEG) below the annual wage ceiling for that year.

Staff whose hourly wage (base wage plus WEG) are above the wage eligibility ceiling in that year are not eligible for the annual \$1 per hour increase.

Benefits should not be included when determining the base wage.

WAGE CEILING FOR ANNUAL WAGE INCREASE (PER HOUR)

Year	RECE Program Staff	RECE Child Care Supervisor or RECE Home Child Care Visitor
2024	\$26.00	\$29.00
2025	\$27.00	\$30.00
2026	\$28.00	\$31.00



ANNUAL WAGE INCREASE EXAMPLES (2025)

Assumptions: WEG funding of \$2 per hour and wage eligibility ceiling of \$27 per hour.

Example 1a – full increase

RECE Program Staff hired in 2024 with a base wage before WEG funding of \$19 per hour would qualify for a wage increase of \$1 per hour.

Base + WEG + **Annual Increase** + Wage Floor (if applicable) = total wage

$$\underbrace{\$19.00 + \$2.00 + \$1.00}_{\$22.00} + \$2.86 = \$24.86 \text{ per hour}$$

\$22.00

Eligible for full \$1 increase as hourly wage of \$22.00 (Base + WEG + Annual Increase) is less than \$27.00 wage

In this example, workforce compensation Funding of \$3.86 per hour would be provided (\$1 annual increase + \$2.86 wage floor) to bring the staff's total wage to the \$24.86 wage floor.

Example 1b – partial increase

RECE Program Staff hired in 2019 with a base wage before WEG funding of \$22.50 per hour would qualify for a compounded wage increase of \$2.50 per hour.

Base + WEG + **Annual Increase** + Wage Floor (if applicable) = total wage

$$\$22.50 + \$2.00 + \$1.00 + \$1.00 + \$0.50 + \text{Nil} = \$27.00 \text{ per hour}$$

Eligible for a compounded annual increase of \$2.50 as staff reaches the \$27.00 per hour

In this example, workforce compensation Funding of \$2.50 per hour would be provided to bring the staff's total wage to the \$27.00 wage ceiling. No wage floor funding provided as staff's total wage exceeds the \$24.86 wage floor.



Example 2a - no increase (new hire)

RECE Program Staff hired this year would be eligible for an annual wage increase of up to \$1 per hour in the following year.

$$\text{Base} + \text{WEG} + \text{Annual Increase} + \text{Wage Floor} = \text{total wage}$$
$$\$19.00 + \$2.00 + \text{Nil} + \$3.86 = \$24.86 \text{ per hour}$$

In this example, workforce compensation Funding of \$3.86 per hour would be provided to bring the new hire's total wage up to the annual wage floor.

Example 2b - no increase - wage ceiling met

RECE Program Staff with a base wage before WEG funding of \$25 per hour or higher would not qualify for an annual wage increase.

$$\text{Base} + \text{WEG} + \text{Annual Increase} + \text{Wage Floor (if applicable)} = \text{total wage}$$

$$\underbrace{\$25.00 + \$2.00}_{\$27.00} + \text{Nil} + \text{Nil} = \$27.00 \text{ per hour}$$

\$27.00

Not eligible for Annual Increase as hourly wage (Base + WEG) reaches wage ceiling of \$27.00

Workforce compensation Funding is not required.

WAGE FLOOR

Service Providers serving children 6 to 12 years of age or CWELCC enrolled agencies serving children 6 to 12 years of age hiring new staff in 2025 must ensure all eligible staff earn at least the wage floor specified in the [Hourly Wage Floor Table](#), plus benefits.



The wage floor for 2025 came into effect on January 1, 2025.

HOURLY WAGE FLOOR FROM 2022 TO 2026

ELIGIBLE POSITIONS	2022	2023	2024	2025	2026
RECE Program Staff	\$18	\$19	\$23.86	\$24.86	\$25.86
RECE Child Care Supervisor or RECE Home Child Care Visitor	\$20	\$21	\$24.86	\$25.86	\$26.86

*In addition to the hourly wage, eligible staff are required to receive benefits.

In 2025, Service Providers must bring the wage of all eligible RECE program staff up to the wage floor of \$ 24.86/hour, and RECE child care supervisors or RECE home child care visitors up to the wage floor of \$25.86/hour.

ELIGIBILITY

To be eligible for a wage increase to the wage floor, eligible staff must:
be receiving WEG funding;

- be employed by a child care Service Provider serving children from 6 to 12 years of age and hold a position categorized as:
 - RECE Program Staff
 - RECE Child Care Supervisor
 - RECE Home Child Care Visitor;
- have an hourly wage (base wage plus WEG plus annual increase) below the annual wage floor for that year.

Benefits are not to be included when determining the hourly wage; they are in addition to the hourly wages specified in this section.

Funding must be used to fund the incremental amount required to bring staff wages to the wage floor.

Wage Floor Examples

Wage floor of \$24.86 per hour and WEG funding of \$2 per hour.



Example 1a - new hire

A RECE Program Staff hired in the current year with a base wage of \$19 per hour would qualify for workforce compensation of \$3.86 per hour to bring their wage to the \$24.86 per hour wage floor.

$$\begin{aligned} \text{Base} + \text{WEG} + \text{Annual Increase} + \text{Wage Floor} &= \text{total wage} \\ \$19.00 + \$2.00 + \text{Nil} + \mathbf{\$3.86} &= \$24.86 \text{ per hour} \end{aligned}$$

Workforce compensation Funding of \$3.86 per hour would be provided.

Note: The RECE would be eligible for an annual wage increase as of January 1, 2026.

Example 1b - ongoing staff

RECE Program Staff hired in 2024 with a base wage before WEG funding of \$19 per hour would qualify for wage floor compensation of \$2.86 per hour.

$$\begin{aligned} \text{Base} + \text{WEG} + \text{Annual Increase} + \text{Wage Floor} &= \text{total wage} \\ \$19.00 + \$2.00 + \$1.00 + \mathbf{\$2.86} &= \$24.86 \text{ per hour} \end{aligned}$$

Eligible for \$2.86 wage floor compensation to bring total wage to wage floor

In this example, workforce compensation Funding of \$3.86 per hour would be provided (\$1 annual increase + \$2.86 wage floor) to bring the staff's total wage to the \$24.86 wage floor.

Example 2a - no increase - new hire

A RECE Program Staff hired in the current year with a base wage of \$22.87 per hour or higher would not qualify for workforce compensation as their base wage plus Wage Enhancement (WEG) would be higher than the \$24.86 per hour wage floor.



$$\text{Base} + \text{WEG} + \text{Annual Increase} + \text{Wage Floor} = \text{total wage}$$
$$\$22.87 + \$2.00 + \text{Nil} + \text{Nil} = \$24.87 \text{ per hour}$$

Workforce compensation Funding to bring wage to wage floor would not be provided.

Example 2b - no increase - ongoing staff

RECE Program Staff hired in 2019 with a base wage before WEG funding of \$22.50 per hour would not qualify for wage floor compensation.

$$\text{Base} + \text{WEG} + \text{Annual Increase} + \text{Wage Floor} = \text{total wage}$$
$$\$22.50 + \$2.00 + \$1.00 + \$1.00 + \$0.50 + \text{Nil} = \$27.00 \text{ per hour}$$

Not eligible for wage floor compensation as hourly wage (Base + WEG + Annual Increase) exceeds the wage floor.

In this example, workforce compensation Funding of \$2.50 per hour would be provided (\$2.50 annual increase) to bring the staff's total wage to the \$27.00 per hour wage ceiling.

INELIGIBLE POSITIONS

In accordance with Policies and Guidelines, the following positions are deemed ineligible:

- Non-RECE Program Staff/Supervisor.
- Non-Program Staff.
- Staff hired through a third party (i.e., temp agency).

Also, the wage floor and annual increase will not apply to non-Program Staff such as:

- Cook, custodial and other non-Program Staff positions.
- SNR-funded resource teachers/consultants and supplemental staff.



The only exception is if the staff is a RECE and the position spends at least 25% of their time supporting ratio requirements for children 6 to 12 years of age as outlined in the CCEYA. In this case, the staff would be eligible for the wage floor and annual wage increase for the hours they are supporting the ratio requirements.

DIRECTOR APPROVED STAFF

Qualified staff, child care supervisors, or home child care visitors who are Director Approved to be employed for these positions but do not have a RECE designation, are not eligible for the wage floor or annual wage increase supported by workforce compensation Funding. For more information on the director approval process, please refer to the CCEYA.

ALIGNMENT WITH CHILD CARE WAGE ENHANCEMENT GRANT

The WEG will continue to support the retention of qualified professionals to deliver affordable, high-quality services. Service Providers must apply for the WEG to be eligible for the wage floor or annual wage increase funding. WEG funding will be added to the base wage of staff when considering eligibility for the wage floor and annual wage increase plus benefits.

Service Providers must include WEG compensation in each pay cheque or payment made to staff.

IMPLEMENTATION

Upon being notified by DNSSAB of Funding allocation, and as new staff are hired, the Service Provider is required to:

- Share, in writing, information about the wage floor and annual wage increases with eligible staff.



- Provide eligible staff with an understanding of upcoming annual changes to their wages because of workforce compensation Funding.
- Ensure that the information about wages must include the wage floor and required annual wage increase for each year in accordance with Policies and Guidelines.

If there was an increase to wages during this period, workforce compensation should be decreased to reflect the change.

DNSSAB may request that the Service Provider submit additional staffing information to determine wage floor and annual wage increase entitlements. Further information may be requested to monitor compliance.

Service Providers must include workforce compensation payments in each pay cheque or payment made, not as a lump sum at the end of the year.

STATUTORY BENEFITS & FLEXIBILITY

Workforce compensation Funding includes up to 17.5% in benefits to support Service Providers in meeting their statutory benefit requirements.

This funding covers statutory benefits (e.g., vacation days, statutory holidays, Canada Pension Plan, Employment Insurance) and additional benefits provided by the Service Provider (e.g., extra vacation or personal days). Once all statutory benefit requirements are met (including up to 2 weeks of vacation and 9 statutory days), any remaining funding within the 17.5% can be used for other benefit expenses paid by the employer on behalf of the employee.



PAYMENT TO SERVICE PROVIDERS

The Service Provider will receive quarterly workforce compensation Funding for eligible positions monthly to support with the costs related to the implementation of the workforce compensation hourly wage increase.

Funding allocations will be reconciled annually using information provided through the District of Nipissing Financial Reporting Database.

MINIMUM WAGE OFFSET

Where a Service Provider is serving children from 6 to 12 years and meets the eligibility criteria set out in this section, workforce compensation Funding will be provided to offset the cost of minimum wage increases for eligible positions from \$15.00 to \$16.55 per hour.

This means that licensees can receive minimum wage offset funding of up to \$1.55 for eligible non-RECE staff that were in eligible positions in 2024, whether those staff were continuing in their existing position, newly filling an existing eligible position, or filling a newly created eligible position.

ELIGIBLE POSITIONS

To be eligible for the Minimum Wage offset, a Service Provider must be serving children 6 to 12 years of age and employ staff in a position categorized as:

- 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 \$16.55 per hour (not including WEG funding) on September 30, 2023. Positions created after September 30, 2023, are not eligible for the minimum wage offset.



INELIGIBLE POSITIONS

The Minimum Wage offset will not apply to non-Program Staff such as:

- Cook, custodial and other non-Program Staff positions.
- SNR-funded resource teachers/consultants and supplemental staff.
- Staff hired through a third party (i.e., temp agency).

The only exception to the first two positions noted above is if the staff is a non-RECE in the position who spends at least 25% of their time to support ratio requirements for children 6 to 12 years of age as outlined in the CCEYA in which case the staff would be eligible for the Minimum Wage offset for the hours that they are supporting the ratio requirements.

IMPLEMENTATION

DNSSAB may request that the Service Provider submit additional staffing information required to determine the Minimum Wage offset allocation. Furthermore, additional information may be requested in the future to monitor compliance of the Minimum Wage offset requirements.

Minimum Wage Offset Example

If an eligible position, working with children from 6 to 12 years, was earning \$15.50 prior to October 1, 2023, the Service Provider would receive workforce compensation Funding of \$1.05 per hour plus benefits (as described below) to support that position's wage increase to \$16.55 per hour.

STATUTORY BENEFITS & FLEXIBILITY

Workforce compensation Funding includes up to 17.5% in benefits to support Service Providers in meeting their statutory benefit requirements.



Statutory benefit requirements are benefits Service Providers are required to provide their staff as determined by legislation (for example, vacation days or statutory holidays) or obligations the licensee has as an employer (for example, Canada Pension Plan or Employment Insurance contributions, or Employer Health Tax).

Once all statutory benefit requirements are met, any remaining Funding within 17.5% can be used to fund other benefit expenses paid by the employer on behalf of the employee.

PAYMENT TO SERVICE PROVIDERS

As of October 1, 2023, licensees were required to comply with minimum wage legislation and bring the wages of their staff to \$16.55 per hour. To offset the Minimum Wage increase, DNSSAB will provide workforce compensation Funding quarterly to Service Providers to cover the incremental amount needed to bring wages for eligible staff to \$16.55 per hour.

Workforce compensation Funding allocations will be reconciled on an annual basis.

RECONCILIATION

Service Providers must use the workforce compensation funds solely for the intended purpose per the 2025 funding guidelines and service agreement. They are responsible for ensuring the funds are distributed only to eligible staff in accordance with the agreement, policies and guidelines.

Annually, Service Providers must reconcile the workforce compensation entitlements with actual expenditures, in the prescribed format provided by DNSSAB. Additionally, DNSSAB will conduct random financial compliance audits to ensure accountability and confirm compliance with the workforce compensation agreement, policies and guidelines.

Any unused or misused funds shall be recovered DNSSAB. Non-compliant Service Providers may be deemed ineligible to receive future workforce compensation funds.



Workforce Compensation Guidelines
Providers Serving Children from 6 to 12 years



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