



BOARD REPORT

REPORT No.: 2022-58

MEETING DATE: OCTOBER 20, 2022

SUBJECT: CHILD CARE MAXIMUM DAILY RATES AND FEE SUBSIDY SCHEDULE

RECOMMENDATION

THAT with respect to Report No. 2022-58 (Integrated Social Services Division) we, The District of Thunder Bay Social Services Administration Board, approve the maximum child care rates for fee subsidy recipients, effective January 1, 2023 as presented.

REPORT SUMMARY

To provide The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board) with information and rationale for determining the maximum child care rates for fee subsidy recipients for the 2023 budget year.

BACKGROUND

Fee subsidy is income tested financial assistance provided toward the cost of child care for parents or legal guardians of children between birth and 12 years of age.

TBDSSAB calculates the amount an eligible parent or legal guardian can pay for child care. This amount is paid by the parent or legal guardian directly to the licensed child care operator. The difference between the actual daily rate charged by the child care operator and the amount the parent or legal guardian can pay is provided directly to the child care operator by TBDSSAB as a fee subsidy.

Historically, child care operators may determine their daily child care rates based on their own internal business model. However, TBDSSAB establishes the maximum daily rates upon which it will provide fee subsidy.

New this year is the impact of the Canada Wide Early Learning Child Care (CWELCC) program. Under CWELCC, the province has established that the 2023 maximum base fee for child care operators enrolled in the CWELCC program be 50% less than the fee charged by each as of March 27, 2022. Child care fees were frozen by the province as of this date.

In April 2022, the Ministry of Education released the Addendum to Ontario Child Care and EarlyON Child and Family Centres Service Management and Funding Guideline (2022) for Consolidated Municipal Service Managers and District Social Services Administration Boards (Addendum). This Addendum provided Service Managers across Ontario with information on the changes related to the new investments through the CWELCC Agreement. A report was provided to the Board (Report No.: 2022-44) at the July 21, 2022 meeting.

Each year, through the budget process, TBDSSAB establishes maximum child care rates for fee subsidy for each child care grouping upon which maximum fee subsidy will be provided.

COMMENTS

The Ministry has taken a phased in approach to the CWELCC System, with the goal of reaching an average parent fee of \$10 a day by 2025-26 for licensed child care spaces. This will involve several steps to reduce current fees to this target level. A first step is providing a 25% fee reduction for families, retroactive to April 1, 2022, then building to a 50% reduction in average parent costs (based on March 27, 2022 levels) for licensed child care by the end of the calendar year 2022.

The following chart outlines the 2022 rates and the proposed 2023 rates. Administration is proposing that School Age rates be increased using the prior year (2022) Ontario Consumer Price Index of 7.0%, rounded to the nearest full dollar. The Consumer Price Index has been used in prior years to guide the increase in maximum child care per diem rates. This results in a proposed \$3 per day increase for school age rates for 2023. The actual rate for all other age categories remains unchanged, however the subsidy provided under CWELCC will amount to 50% of the established rate.

TBDSSAB Maximum Child Care Rates

Age Category	2022 Rates	2023 Rates	Increase
Infant	\$ 74	\$ 74	0%
Toddler	\$ 55	\$ 55	0%
Pre-School	\$ 49	\$ 49	0%
Kindergarten	\$ 41	\$ 41	0%
School Age	\$ 37	\$ 40	7%

STRATEGIC PLAN IMPACT

This report relates to the Board's strategic direction of Financial Stewardship, with a focus on ensuring accountability of TBDSSAB resources. Further, this initiative addresses the Practical Vision of providing Flexible Inclusive Services through Enhanced Early Year and Child Care.

FINANCIAL IMPLICATIONS

Administration estimates the financial impact of increasing the maximum daily rates for school age spaces will result in approximately \$5,315 more fee subsidy being provided to child care operators on behalf of eligible families.



If approved, this amount will be included in the 2023 operating budget to be submitted to the Board.

CONCLUSION

It is concluded that the proposed maximum the child care rates for fee subsidy recipients, effective January 1, 2023 be approved as presented.

REFERENCE MATERIALS

Attachment #1 [Proposed 2023 Maximum Child Care Rates](#)

PREPARED BY:	Kim Figliomeni, Acting Manager, Child Care and Early Years Program Michelle Wojciechowski, Manager, Intake & Eligibility
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APPROVED BY	Ken Ranta, Director, Integrated Social Services Division
SIGNATURE	
SUBMITTED BY:	William (Bill) Bradica, Chief Administrative Officer

CHILD CARE MAXIMUM and CENTRE SPECIFIC CARE CODE RATES 2023



CENTRE	Proposed 2023 Rates								
Extended	Full	3/4	1/2	1/2 w Lunch	Before	After	B & A	Lunch	Overnight *
9+ hrs	6+ hrs	4-6 hrs	< 4hrs						

Age Group

INFANT CARE CODES	INX	INF	I3/4	INH	IHL					INO*
0% Increase	\$ 79.00	\$ 74.00	\$ 52.00	\$ 41.00	\$ 50.00					\$ 68.00
Current DSSAB Approved	\$ 79.00	\$ 74.00	\$ 52.00	\$ 41.00	\$ 50.00					\$ 68.00
TODDLER CARE CODES	TDX	TDF	T3/4	TDH	THL					TDO*
0% Increase	\$ 61.00	\$ 55.00	\$ 48.00	\$ 35.00	\$ 44.00					\$ 66.00
Current DSSAB Approved	\$ 61.00	\$ 55.00	\$ 48.00	\$ 35.00	\$ 44.00					\$ 66.00
PRESCHOOL CARE CODES	PSX	PSF	P3/4	PSH	PHL					PSO*
0% Increase	\$ 54.00	\$ 49.00	\$ 44.00	\$ 31.00	\$ 38.00					\$ 61.00
Current DSSAB Approved	\$ 54.00	\$ 49.00	\$ 44.00	\$ 31.00	\$ 38.00					\$ 61.00
KINDERGARTEN CARE CODES	KNX	KNF	K3/4	KNH	KHL	KNB	KNA	KBA	LUN	KNO *
0% Increase	\$ 47.00	\$ 41.00	\$ 37.00	\$ 28.00	\$ 33.00	\$ 14.00	\$ 14.00	\$ 28.00	\$ 10.00	\$ 61.00
Current DSSAB Approved	\$ 47.00	\$ 41.00	\$ 37.00	\$ 28.00	\$ 33.00	\$ 14.00	\$ 14.00	\$ 28.00	\$ 10.00	\$ 61.00
SCHOOLAGE CARE CODES	SAX	SAF	S3/4	SAH	SHL	SAB	SAA	SBA	LUN	SAO*
7% Increase	\$ 45.00	\$ 40.00	\$ 36.00	\$ 27.00	\$ 30.00	\$ 16.00	\$ 16.00	\$ 32.00	\$ 11.00	\$ 65.00
Current DSSAB Approved	\$ 42.00	\$ 37.00	\$ 34.00	\$ 25.00	\$ 28.00	\$ 14.00	\$ 14.00	\$ 28.00	\$ 10.00	\$ 61.00

* Overnight codes applicable to Private Home only
 Infant-Kindergarten rates for Operators are frozen as per MED.
 CPI for August 2022 is 7%
 Most unlicensed home providers charge \$45-55 per day