JUSTICE FOR CHILD CARE EMPLOYEES

SECURING EQUITABLE WAGES IN THE CANADA-WIDE EARLY LEARNING AND CHILD CARE SYSTEM IN ONTARIO

THE CHILD CARE PAY EQUITY PROJECT

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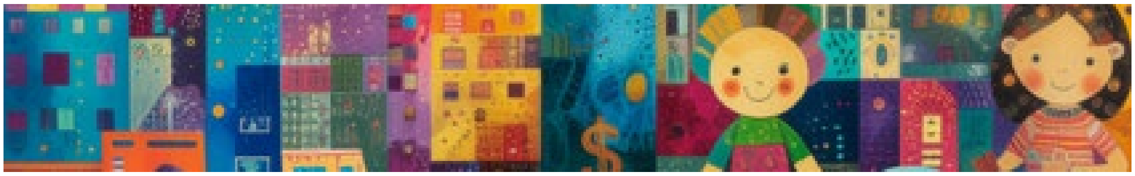
We recognize that our work takes place on traditional Indigenous territories across the province. We acknowledge that there are 46 treaties and other agreements, including unceded land, that cover the territory now called Ontario. We are thankful to be able to work and live in these territories. We are thankful to the First Nations, Métis and Inuit people who have cared for these territories since time immemorial and who continue to contribute to the strength of Ontario and to all communities across the province. We also respect the calls for action of the Truth and Reconciliation Commission and their significance to early childhood education and policy. We share respect for the rights of, and Canada's obligations to, Indigenous peoples.

EXECUTIVE SUMMARY

Child care programs are core to our social infrastructure and essential to Ontario's economy. Child care programs are critical to enable women to participate in the labour market.

Child care employees predominantly identify as women and many are racialized. Child care programs are an important source of employment for women. Retention and recruitment issues, driven by high employee turnover in child care centres, continue to torment the entire sector. This report demonstrates in detail that child care employees are undervalued and underpaid, as their compensation is deeply depressed by systemic discrimination and the province's funding formula.

In this report, the Child Care Pay Equity Working Group asks: What is required to ensure equitable wages for child care employees?



This report is based on original research, a detailed analysis of the Canada-Wide Early Learning Child Care (CWELCC) agreements, a review of key policy documents, and the legal framework, specifically human rights and pay equity, that applies to child care centres.

The report demonstrates that Ontario's funding of child care centres fails to respect fundamental human rights and pay equity obligations. The provincial government's cost-based funding formula under CWELCC creates a discriminatory bar to equity. In effect, the provincial government's funding model forces child care centres into non-compliance with its own pay equity legislation and perpetuates pay equity gaps. Child care employees have historically been undervalued and significantly underpaid, and continue to be so as a result of the provincial government's approach. The funding is insufficient to provide for human rights and pay equity-compliant wages.

The report begins with a detailed review of the status of wages for child care centre employees in Ontario, particularly under the CWELCC system. Using the Ministry of Education's own data, the report confirms that RECE wages are low. While wages have increased at the entry level, stagnation of wages is the result overall, and child care employees' wages have not advanced at the top. No matter how wages are measured, wages are low. The wages are low relative to provincial average wages. Wages are low relative to Statistics Canada's market basket comparison. Wages are low in comparison to stereotypical male jobs with comparable education. The wages of non-registered staff working in centres, from educational assistants to cooks, follow a similar pattern of low-wage stagnation.

To set the context for the current low-wage picture, the Child Care Pay Equity Working Group outlines the history of Ontario's mixed-market model for funding child care centres. Child care is a classic model of a sex-segregated occupation where the employees' value and pay are deeply depressed by sex discrimination. Child care was a model built upon charitable welfare. Women's work was less valuable and often invisible, as it resembled the work women did in the home. It was a model which undervalued women's care work. This historic context set the systemic conditions of low pay today.

The report examines the emergence of the $ 10-a-day system under CWELCC, which represented an important breakthrough. The operative federal legislation, Bill C-35, put gender equality as a fundamental principle in the creation of the system. Bill C-35 explicitly recognized that the conditions of child care employees' work are the conditions of care. With CWELCC, child care programs are further entrenched as a publicly funded public service.

However, CWELCC is not introduced to the child care sector on a blank slate. Ontario's Pay Equity Act applies to the child care sector and to any operator with 10 or more employees. Pay equity is a fundamental human right of equal pay for work of equal value. Tribunals and courts have long established that pay equity rights set a basic floor for compensation which no employer may pay below.

The report provides a detailed overview of the Pay Equity Act, along with case studies, to advance the sector's understanding of the Act's requirement to examine compensation practices and ensure systemic discrimination is not perpetuated between women's and men's compensation.

The Pay Equity Act and its Regulations create a process to enable comparisons between child care centre jobs, which are mostly women-dominated workplaces with no male comparators, to jobs in municipalities. The wages of child care employees in municipalities are significantly higher. The report summarizes a cross-province sample of municipal wages from collective agreements across the province.

Armed with this pay equity analysis, the report provides a detailed case study, based on a typical Toronto child care centre, using the provincial government's own funding tool to assess the difference between the province's funding model and pay equity-compliant wages, relying upon the local municipal wage structure. The result is stark. The provincial government's funding model creates a significant shortfall of approximately 30% compared to a pay equity-compliant wage and benefits structure.

The report goes further to examine how the province has not truly funded the sector with a fair share of resources. In their recent report, the Ontario Auditor-General concluded that there is a $1.95 billion funding shortfall if Ontario is to meet the CWELCC 2025 targets. However, the Auditor-General did not consider the further shortfall created by the province's failure to fund wages at the level of pay equity-compliant wages. The shortfall is greater.

The Child Care Pay Equity Working Group wants to change the conversation. Decent pay and equity for child care employees in Ontario are not luxuries – they are the backbone of high-quality child care. It is the law.

This report is released at a unique moment. The provincial government is in the midst of negotiations with the federal government on Phase II of the $10-a-day child care program under the Canada-wide Early Learning and Child Care system.

At this moment, the provincial government has an opportunity to ensure that child care work is fully valued and that employees are equitably compensated through a pay equity-compliant wage grid. Such a grid would ensure that RECEs, as one core classification, would earn between $35 and $45 per hour.

The province can design a funding formula that puts the child care employees' right to pay equity and equal pay for work of equal value at the core of the model. The province's existing cost-based funding model is insufficient to provide child care employees with pay equity-compliant compensation. The wages and working conditions of child care employees cannot be an afterthought.

This report calls upon the provincial government not to flout fundamental human rights and the pay equity rights of child care employees. They must stop perpetuating the deep systemic discrimination which undervalues and underpays child care employees for their work.

The Child Care Pay Equity Working Group calls on all child care employees, child care operators, parents, policy experts, and analysts to recommend that:

1. The provincial government commit to adjusting the provincial funding guidelines

to ensure that the debt owed to all child care employees is closed and pay equity-compliant compensation for child care employees is fully funded immediately.

2. All child care employees' compensation is immediately increased, following a pay equity analysis, to ensure there is no gap with the regulated pay equity comparator of comparable value: the municipal child care employees.

3. The province immediately institutes a fully funded pay equity-compliant wage grid for all child care employees, which provides annual progression to ensure retention in the child care system.

4. The province's current Funding Guidelines should be revised to ensure child care operators may provide for pay equity compliance and maintenance for all child care employees serving children ages 0-12. Where a child care operator requests pay equity compliant compensation, such requests shall not be denied.

5. The Ontario Pay Equity Commissioner host a series of educational sessions directed at the child care sector, including CMSMS/DSSABs, to ensure pay equity compliant compensation is established and maintained.

By taking such action, the work of child care employees can be fully valued and justly compensated, and they may finally have some relief from systemic discrimination and the burden of low wages while caring for and educating Ontario's young children.

PART I

INTRODUCTION

1.1 BUILDING AN EQUITABLE CHILD CARE INFRASTRUCTURE

Child care is core social infrastructure. It is essential to Ontario's economy, to community well-being, and to the daily lives of millions of families. Women—who continue to shoulder the majority of caregiving responsibilities—cannot participate fully in the workforce without accessible, affordable, safe, high-quality child care. It is therefore indisputable: child care is foundational to women's equality.

Ontario's early childhood education and care workforce is overwhelmingly female. The most recent province-wide study (Akbari et al., 2024) reports that 98% of early childhood educators identify as women, many of whom are racialized. Because licensed centres rely almost entirely on RECEs and ECE assistants, the proportion of women working in licensed child care in any capacity is assumed to be in the high-90% range. Yet these workers—who provide care, education, and community stability—remain overworked, undervalued, and significantly underpaid.

Decent pay is not a "nice-to-have." It is the foundation of high-quality child care. Without fair wages and decent working conditions, Ontario cannot recruit or retain the qualified staff required to fill existing and planned child care spaces.

This report reviews the historic funding context of Ontario's child care system and analyzes the provincial government's implementation of the Canada-Wide Early Learning and Child Care (CWELCC) system—also known as the $10-a-day program—through the lens of pay equity. (CWELCC, 2002) CWELCC is premised on the understanding that wages and working conditions are inseparable from quality. The province's own regulatory model reinforces this principle: high-quality, licensed child care requires trained, qualified, and stable educators.

Yet, as this report demonstrates, Ontario's child care funding—particularly under CWELCC—ignores fundamental human rights obligations, including pay equity. (Ministry of Education, 2025) The province's new cost-based funding formula sets benchmark allocations for wages and operations. These benchmarks are not pay-equity-compliant, and in many cases, they contribute to operating deficits. The result is a system that effectively prevents child care centres from complying with the province's Pay Equity Act. (Pay Equity Act, 1990)

Pay equity is a fundamental, quasi-constitutional human right that guarantees equal pay for work of equal value. Human rights law is not optional. Pay equity expresses a core societal value: that women must not be discriminated against in compensation. The Pay Equity Act requires employers to analyze their compensation practices and redress and remedy systemic gender discrimination. For child care centres, the law requires comparing women's jobs in licensed centres to municipal child care jobs and their compensation—the legally mandated proxy comparator.

In 1988, when the Pay Equity Act took effect, the wage gap between child care centre employees and municipal child care employees was large, ranging from 35-45% and often exceeding $10 per hour. (Anstey, 1988) Today, because pay equity has not been maintained, the gap has re-emerged on a similar scale not seen in thirty years.

Ontario has never designed or funded a pay-equity-compliant wage grid for child care employees. Instead, the province has repeatedly—and incorrectly—compared RECE wages in child care centres to wages of RECEs working as Designated Early Childhood Educators (DECEs) in school boards. This comparator has no basis in pay equity law. The legally required comparator remains municipal child care employees. (O. Reg. 396/93)

Understanding the context of the child care sector is critical. Child care is a classic example of a sex-segregated occupation in which women's work has been systematically undervalued. As the Pay Equity Hearings Tribunal has observed, systemic pay discrimination is "a culmination of individual practice, institutional wage practices, and a history of employment and compensation" (Haldimand Norfolk, 1990) that has never fully recognized the value of women's labour. For decades, low wages and the absence of decent work have driven job dissatisfaction and turnover in child care centres.

Child care workers also face the societal devaluation of women's work. Caring for children has historically been performed by women in the home or through charities, often without pay. This has contributed to a persistent perception that child care labour is "natural," "unskilled," or undeserving of adequate compensation. Child care services have not been funded as essential public infrastructure.

The history of wages in Ontario's licensed child care sector is therefore one of incremental progress overshadowed by persistent neglect and broken promises. Child care employees have been left waiting—year after year—for the funding required to fully value and compensate their work.

Yet pay equity has been the law since 1988. The specialized proxy comparison system for women-dominated workplaces, such as child care centres, was introduced in 1993. (Pay Equity Act, Proxy Comparison Method) It remains the primary tool for ensuring that women in child care receive equitable compensation. The core principle is clear: wages free from discrimination must be the foundation on which Ontario's child care system is built.

The federal government recognizes this principle. Bill C-35, An Act respecting early learning and child care in Canada (Bill C-35, 2024), affirms that educators' working conditions shape the conditions of care, and that workforce well-being is essential to system quality and community well-being.

With the introduction of the $10-a-day program, child care for children aged 0–5 has become a publicly funded public service. Parent fees are no longer the primary source of revenue for wages or operations. Historically, when wages needed to rise, either government grants or parent fee increases were required. Under CWELCC's public funding model, this is no longer the case: provincial funding determines wages.

The province's 2025 benchmark wages for CWELCC spaces—and the wage floor for

6–12 age-group programs—are far too low. They do not reflect the requirements of the Pay Equity Act. Nor has the province provided any assurance that its funded rates comply with human rights law. Instead, Ontario is constructing a funding model based on low, non-pay-equity-compliant wages for child care workers.

A pay-equity-compliant wage grid, based on a pay equity analysis of the value of work and the wages for municipal child care employees, would set RECE wages between approximately $35 and $45 per hour, plus benefits and a pension. These figures reflect the legally required comparator, the value of work and the proxy method's total-compensation principle.

Recent oversight confirms that Ontario is not funding the system at the required level. The Ontario Auditor-General found a $1.95-billion shortfall in meeting CWELCC's 2025 targets, without examining whether wages were pay-equity-compliant. Had the Auditor included pay equity, the projected shortfall would have been even larger. (Auditor-General, 2025)

The success of CWELCC depends on Ontario choosing to be a full and equal funding partner. Child care wages must increase significantly, be stabilized through a province-wide wage grid and workforce strategy, and be explicitly linked to pay equity. Only then can Ontario meet its obligations under human rights law and the federal vision for a high-quality, publicly funded child care system.

This report concludes that Ontario treats child care employees' wages as an afterthought. This neglect denies child care workers their basic human rights. Child care employees have become the system's shock absorbers—undervalued, underpaid, and told repeatedly to wait for another day.

We cannot ignore the wages of child care employees any longer. If Ontario hopes to build a universal, accessible, high-quality system—one that supports families, advances gender equality, and respects the dignity of workers—the province must close the pay equity gap.

In November 2025, Ontario and the federal government reached a one-year extension of the

1.2 WHY THIS REPORT MATTERS NOW

original CWELCC agreement, which is now set to expire in December 2026. The extension freezes parent fee reductions at current levels while both governments negotiate Phase II. As of writing, the details of the next agreement remain unresolved. (Ontario Ministry of Education, News release, 2025)

These negotiations must place the human rights of child care employees—particularly the right to equitable, pay-equity-compliant wages—at the centre. CWELCC's implementation did not include a fully sufficient funding formula. Phase II must.

This report asks the central question:

Mr. Premier, will you ensure funding for equitable, pay-equity-compliant wages for child care employees?

Yet Ontario has consistently ignored its own pay equity legislation and flouted the law in its funding practices.

Canada is a signatory to the International Labour Organization's Decent Work agenda, which includes the principle of equal pay for work of equal value—pay equity. A meaningful, human-rights-based approach to pay equity in child care is still a distant goal unless the province acts now. The time has come to build an early learning and child care system that embraces decent work and respects the human rights and dignity of child care employees.

Four organizations dedicated to gender equality

1.3 EQUITABLE WAGES FOR CHILD CARE EMPLOYEES: FOCUS OF THIS REPORT

is required to ensure equitable wages for child care employees?

The Ministry of Education licenses two main types of operations:

1. **Centre-based care,** provided by for-profit, non-profit, municipal, and First Nations operators; and

2. **Home child care**, overseen by licensed home child care agencies.

This initial study focuses on centre-based employees.

Supported by a grant from the Atkinson Foundation, this project undertook a detailed policy and legislative review, analysis of annual reports and archival materials, interviews with sector advocates, operators, and bargaining agents, and an intensive review of Ontario's most recent Funding Guidelines and Technical Paper. (Ministry of Education, Funding Guidelines, 2025).

Child care operators, employees, parents, and policy experts are all asking the same question.

and decent work in the child care sector came together to answer a fundamental question: What

The report contains seven parts:

1. **Introduction**

2. **A Snapshot of Ontario's Child Care Workforce** - demonstrating the low wages and their impact on the sector.

3. **Origins of Low Wages and Current Funding Structures**– outlining the patchwork (historic funding context), charity-based model that created the conditions for systemic underfunding and undervaluation of child care work.

4. **Current Funding Structures** – examining the purpose of CWELCC, the province's 2025 cost-based funding model, and the complexity created by different funding approaches for 0–5 and 6–12 age groups.

5. **The Pay Equity Ac**t – providing a general overview of pay equity legislation, the proxy comparison system, and how it applies to child care centres to assist with advancing the sector's knowledge about pay equity.

6. **The Province's Funding Approach** demonstrates that Ontario has prioritized expenditure reduction over compliance with pay equity and expert recommendations, leaving wages low and discrimination unaddressed.

7. **The Potential of Pay Equity** - how it works and how it could be the solution.

8. **Conclusions and Recommendations**

The Appendices offer technical detail on pay equity implementation and provide an overview of municipal child care wages—the legally required comparator.

There is also a table with a list of all the municipalities offering directly-operated child

PART II

A SNAPSHOT OF THE ELCC SECTOR AND ITS WORKFORCE

2.1 GOVERNMENT ROLES AND FUNDING STRUCTURE

care, and some additional tables to enhance the text.

Under the Child Care and Early Years Act, 2014 (CCEYA), the Ontario Ministry of Education licenses child care programs, regulates standards, prescribes staff qualifications and ratios, and sets key funding parameters. The Ministry effectively directs how child care services are provided across the province. (Ontario Ministry of Education CCEYA, 2014).

For children 0–5 years, most licensed centre-based spaces now fall under the Canada-Wide Early Learning and Child Care (CWELCC) system. CWELCC is governed by a bilateral agreement between Ontario and the federal government under Bill C-35, An Act respecting early learning and child care in Canada. Parent fees in CWELCC-enrolled spaces are currently capped at $22 per day and are no longer the primary source of revenue. Approximately 92% of all centre-based spaces for 0–5-year-olds are under CWELCC, with most operating costs—including wages and benefits—funded according to a provincially determined cost-based funding formula. This represents 61.4% of all centre-based spaces in Ontario. (Ontario Ministry ELCC Annual Report, 2024)

By contrast, child care spaces for children 6–12 years are not eligible for CWELCC operating funding. These programs rely primarily on parent fees, with additional support coming from provincial operating grants, fee subsidies for low-income families, wage enhancement grants (WEG), and local priority funding such as special needs resources and capacity building. (Ontario Ministry of Education, Local Priorities Guideline, 2025)

Ontario is also the only province with universal full-day kindergarten for children aged four and up, and Ontario school boards are mandated to provide before- and after-school programs where there is sufficient demand and viability. (Ontario Ministry of Education, Update, 2021)

Ontario is unique in flowing child care funding through 47 Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs)—collectively referred to as Service System Managers (SSMs). These SSMs:

Administer CWELCC operating funding for 0–5 spaces.

- Deliver operating grants for school-age spaces.
- Allocate wage enhancement grants and Special Needs Resourcing.
- Distribute start-up and capital funding; and
- Manage the income-tested subsidy system for all centres.

Some SSMs also directly operate municipal child care centres, all of which participate in CWELCC and often receive additional local funding. As of 2025, there were 151 municipally operated child care centres across Ontario.

The scale of the sector has grown dramatically. In 1992, Ontario had an estimated 145,545 licensed spaces (mainly centre-based, with some before- and after-school and licensed home child care). (ECEC in Canada, 1992) By 2024, this had more than tripled to 521,951 spaces. (Ontario Ministry of Education, Annual Report, 2024)

Importantly, the majority of the sector, 61.4%, is now made up of CWELCC-funded spaces. (Ontario Ministry of Education, Annual Report, 2024)

2.2 THE CHILD CARE WORKFORCE

Child care staff are the backbone of the licensed system. Front-line program staff greet children and families at the start of the day—often around 7:00 a.m.—and say goodnight to them at closing, frequently 6:00 p.m. or later. Staffing patterns vary by program type (infant, toddler, preschool, and school age), but all centres rely on a mix of professional, program, and support staff.

According to the Ontario Ministry of Education's 2023 data, there were:

- 40,359 full-time program staff employed in licensed child care centres;
- 22,600 of these staff (about 56%) were registered early childhood educators (RECEs) (Ontario Ministry of Education, ELCC Annual Report, 2024)
- The remainder were early childhood assistants and other non-RECE program staff.

The Ministry does not report on the number of part-time or casual staff, nor on the number of non-program staff (cooks, custodians, housekeepers/servers, administrators, supervisors, etc.), even though these roles are essential for quality and compliance.

The provincial ELCC Action Plan describes the main categories of centre-based staff as follows:

- **Registered Early Childhood Educators (RECEs)** – regulated professionals specializing in early childhood development and learning, registered with the College of Early Childhood Educators. Most complete a two-year diploma at an Ontario College of Applied Arts and Technology or a private career college. Under the Early Childhood Educators Act, 2007, RECEs are responsible for planning and delivering inclusive, play-based programs that promote children's holistic development.
- **Supervisors** – typically RECEs who, in addition to program duties, are responsible under CCEYA for leading the operation of the centre: planning and directing the program, overseeing staff, and being accountable for the care of children.
- **Resource Consultants** – usually RECEs with specialized training who provide individualized support for children with special needs, assisting program staff, providers, and parents to ensure inclusive care.
- **Other program staff** – individuals working directly with children who are not registered with the College of ECEs. Titles include early childhood assistant, child care worker, day care worker, child care assistant, family support worker, and program assistant or "enhanced staff" who support children with special needs. (Government of Canada & Government of Ontario, 2021)

Due to nutrition, health, and safety requirements under CCEYA and its regulations, centres also employ critical support classifications, including cooks, food service assistants, custodians, housekeepers, and general aides. Collective agreements across the sector consistently recognize these roles; their skills are integral to high-quality, safe care and cannot be overlooked.

Staff classifications and staffing levels vary by program size and type. CCEYA defines an RECE in licensed settings as "an employee who is a member in good standing of the College of Early Childhood Educators." (O. Reg. 137/15, s.54) In licensed junior or primary/junior school-age programs, staff may also include child and youth workers, recreation workers, and teachers recognized by the Ontario College of Teachers.

As noted in Part I, the workforce is overwhelmingly female. The most recent data indicate that 98% of early childhood educators in Ontario identify as women, a proportion that has changed little over the past three decades. Nationally, just over one-quarter of early childhood educators and assistants are immigrants, and a similar proportion are racialized; Ontario's figures are comparable to the national profile. (Akbari et al, 2024)

2.3 LOW WAGES, LIMITED BENEFITS

Despite their essential role, child care employees are poorly compensated. Benefits and pensions are limited or non-existent in many community-based centres.

Child care wages are:

- low relative to stereotypically male jobs requiring similar levels of education and training.
- low relative to the provincial average wage, and
- especially low compared to wages in municipally operated child care centres.

Concerns about low wages in early learning and child care have been raised and documented for decades. Across multiple studies and data sources, the same pattern emerges: no matter how wages are measured, they are low.

- **Table 1** traces RECE wages from 1983 to 2020, showing modest growth from very low levels.
- **Tables 2–4** present the wage distributions for RECE and non-RECE staff in 2018, 2022, and 2023.

TABLE 1. DATA ON RECE WAGES IN ONTARIO, VARIOUS YEARS, VARIOUS SOURCES, ANNUAL AND HOURLY

Hourly wages calculated from annual salary, assuming either 35 or 40 hours per week for full-time employment.

TABLE 1: HISTORICAL ACCOUNT OF CHILD CARE EMPLOYEES' WAGES

Year	Annual	Hourly	Source/Definition	Value of Consumer Price Index, Canada 1983 = 100
1983	$13,884		Patti Schom-Moffatt Study for the Task Force on Child Care/ECE Teacher in Ontario	100
1988	$15,400		Anstey Study for Pay Equity Commission, Compensation Stats 1988	122.3
1990		$11.51	Caring for a Living Study. Full-time, full-year with a post-secondary certificate or diploma	134.2
1998	$26,496	Teacher $13.48, Teacher-Director $17.48, Administrative Director $22.00	You Bet I Care! Study, full-time or part-time	155.4
2000	$25,315			163.7
2005	$29,298		2006 Census, ECEA FTFY with ECE credential	184.7
2015	$35,163	$16.91-$19.32*	2016 Census, ECEA in the day care services industry, FTFY with ECE credential	216.5
2020	$40.00	$19.23-$21.98*	2021 Census, ECEA in the day care services industry, FTFY with ECE credential	233.2

TABLE 2. CUMULATIVE PERCENTAGES OF CHILD CARE STAFF: ONTARIO WAGE DISTRIBUTIONS FROM MINISTRY OF EDUCATION ANNUAL REPORT, 2018

	RECEs program staff working full-time (cumulative percentages)	Non-RECE program staff (not Director Approval) working full-time (cumulative percentages)
<= $15.00	8.60%	42.30%
<= $20.00	54.30%	91.00%
<= $27.07	90.80%	98.90%
<= $30.00	94.60%	99.30%
<= $35.00	98.70%	99.60%

TABLE 3. CUMULATIVE PERCENTAGES OF CHILD CARE STAFF: ONTARIO WAGE DISTRIBUTIONS FROM MINISTRY OF EDUCATION ANNUAL REPORT, 2022

	RECEs program staff working full-time (cumulative percentages)	Non-RECE program staff (not Director Approval) working full-time (cumulative percentages)
<= $17.50	10%	40%
<= $20.00	32%	76%
<= $22.50	53%	91%
<= $25.00	75%	97%
<= $27.50	86%	

Note that the wage floor of $18 an hour for RECEs was implemented in April 2022

TABLE 4. CUMULATIVE PERCENTAGES OF CHILD CARE STAFF: ONTARIO WAGE DISTRIBUTIONS FROM MINISTRY OF EDUCATION ANNUAL REPORT, 2024 (DATA AS OF DECEMBER 31, 2023)

	RECEs program staff working full-time (cumulative percentages)	Non-RECE program staff (not Director Approval) working full-time (cumulative percentages)
< $20.00	9%	48%
<= $25.00	55%	94%
< $28.60	85%	98%
< $30.00	90%	99%
< $32.50	94%	99.20%
< $35	97.60%	99.50%

(Ministry of Education ELCC Annual Report, 2024)

TABLE 5. HOURLY WAGES OF EARLY CHILDHOOD ASSISTANTS, ONTARIO

Year	Annual	Hourly	Definition/Source
1983	$9,719		Patti Schom-Moffatt Study for the Task Force on Child Care. ECE Teacher's Aide
1990		$8.84	Caring for a Living study. Full-time, full-year
1998		$10.60	You Bet I Care! study, full-time or part-time

For RECE program staff working full-time:

- In 2018, over half (54%) earned less than $20/hour, and 95% earned under $30/hour.
- By December 2023, 55% still earned less than $25/hour, and 90% earned under $30/hour.

For non-RECE program staff:

- By December 2023, almost half (48%) earned less than $20/hour, and 94% earned less than $25/hour.

These data confirm that even after the introduction of a wage floor and some targeted increases, the majority of RECEs and non-RECE program staff remain clustered in low-wage ranges.

2.4 COMPARISON WITH MALE-DOMINATED OCCUPATIONS

To understand the systemic discrimination faced by child care employees, it is necessary to situate their wages within broader labour market patterns.

Ontario's labour market remains highly segregated by gender. Men and women are concentrated in different occupations and industries, which contributes significantly to unequal pay. Women's skills, efforts, responsibilities, and working conditions have historically been undervalued.

Occupational categories (what people do) reveal that men make up more than 60% of workers in:

- management;
- trades, transport and equipment operation;
- natural resources and related production; and
- manufacturing and utilities.

By contrast, women are highly concentrated in a small number of care and service sectors: health care and social assistance, educational services, retail, and accommodation and food services. Women make up 69% of workers in educational services, yet only 24% of employed men work in these four industries.

TABLE 6: ONTARIO MEDIAN WAGES OF MALE-DOMINATED JOBS 2022-2023

Occupation	NOC 2021 Code	TEER	Estimated % Male	Ontario Median Wage ($/hr, 2022-23)
Requiring 2-year Diploma or Certificate				
Ironworkers	72105	2	97-99	42.45
OH&S specialists	22232	2	65-70	43.82
Steamfitters, pipefitters, sprinkler installers	72301	2	97-98	44.52
Electrical power line & cable workers	72203	2	95	45
Boilermakers	72103	2	98-99	46.89
Deck officers, water transport	72602	2	90-95	30.29
Elevator constructors & mechanics	72406	2	98	47.38
Insulators	72321	2	95-98	34
Only a secondary school level is required				
Railway conductors and brakemen/ women	73311	3	85-90	43.27
By-law enforcement and regulatory officers	43202	3	70-80	43.23
Border services/customs/immigration officers	43203	3	65-75	42.74
Heavy equipment operators	73400	3	90-95	30
Utility maintenance workers	74204	3	85-90	32
Concrete finishers	73100	3	90-95	34

Source: Statistics Canada Table 14-10-0417-01

Table 6 on Ontario median wages in male-dominated jobs (2022–2023) provides examples of stereotypically male occupations that:

- require similar levels of formal education as RECEs (e.g., a two-year college diploma), or
- require only a secondary school education but still command significantly higher wages.

These include ironworkers, occupational health and safety specialists, steamfitters, electrical power line workers, boilermakers, elevator constructors and mechanics, railway conductors, by-law officers, and heavy equipment operators, among others. Median wages in these occupations are routinely in the $30–$47 per hour range.

Compared to these male-dominated jobs, RECEs' wages—typically in the low to mid-$20s per hour—are substantially lower, despite comparable skill, responsibility, and training requirements. This gap is a vivid illustration of systemic gender-based wage discrimination.

2.5 PROVINCIAL POSITION AND ACTION ON WAGES

Ministry of Education data in the 2024 Annual Report (as of December 31, 2023) confirm the low wages of child care employees:

- 55.4% of RECE program staff in centres earned less than $25.01/hour, with about 9% earning less than $20/hour.
- 85.3% of RECEs earned less than $28.60/hour.
- The median wage range for RECE Supervisors was between $30.00 and $32.49/hour.
- For full-time non-RECE program staff (not director-approved), 94% earned less than $25.01/hour.

For context, the average hourly wage of all full-time Ontario workers in 2024 was $36.75—significantly above typical child care wages. (Labour Force Survey, 2024)

Compared with municipal child care employees, the gap is even more pronounced.

TABLE 7: WAGE RATES IN SELECTED MUNICIPALITIES

	ECE		Educational Assistant	
	Start rate	**Job rate**	**Start Rate**	**Job rate**
Stratford	$36.54	$38.67	$33.93	$36.1
Hamilton	$36.4	$41.36		
Toronto	$34.99	$38.2	$27.15	$29.59
Durham	$40.89	$45.21	$31.1	$34.55
Sault Ste. Marie	$33.73	$37.79	$27.33	$29.9
Ottawa	$33.88	$39.65	$25.6	$29.95

Note: These figures are for program staff only. They do not include cooks, housekeepers or servers. Please see Appendix 5 for a more detailed analysis of municipal wages.

Please see: Collective Agreement between The City of Hamilton and the Canadian Union of Public Employees Local 5167, Expiry Dec 31, 2026; Collective Agreement between The Corporation of the City of Stratford and The Canadian Union of Public Employees and its Local 1385, expiry Dec 31, 2025. City of Toronto and the Canadian Union of Public Employees Local 79, Memorandum of Settlement, March 5, 2025.; Collective agreement between the Regional Municipality of Durham and the Canadian Union of Public Employees, Local 1764, expiry March 31, 2024.; the Collective agreement between the District of Sault Ste. Marie Social Services Administration Board and the Canadian Union of Public Employees, Local 5330, expiry January 31, 2027; the Collective agreement between the City of Ottawa and The Ottawa-Carleton Public Employees' Union Local 503, expiry December 31, 2024;

THE DIVERGENCE BETWEEN MUNICIPAL AND COMMUNITY-BASED WAGES INDICATES THE EXTENT TO WHICH PAY EQUITY HAS NOT BEEN MAINTAINED

The table on wage rates in selected municipalities shows:

- RECE start rates ranging from the mid-$30s-$40 per hour;
- RECE job rates (top rates) in the high $30s to mid $40s;
- Educational assistants' start and job rates are also well above most community-based RECE wages.

These figures underline a central point for pay equity purposes: municipal wages are the legally mandated comparator wage for child care employees in centres. The divergence between municipal and community-based wages indicates the extent to which pay equity has not been maintained. (: O. Reg. 396/93: Proxy Method of Comparison)

2.6 PROVINCIAL WAGE POLICIES: FLOORS WITHOUT A GRID

In April 2022, Ontario introduced a wage floor policy for RECEs working in licensed centres participating in CWELCC:

- RECE program staff: $18/hour in 2022, increasing by $1/hour annually;
- RECE supervisors and home child care visitors: $20/hour in 2022, also increasing by $1/hour annually;
- a $1/hour supplement for RECEs earning $25/hour or less. (CWELCC, 2022)

Ontario initially confined CWELCC wage improvements to staff working with children under six, but by mid-2022, the province had also allocated workforce compensation funding for registered early childhood educators in school-age (6–12) programs, in order to maintain wage equity across age groups (Ontario Ministry of Education, 2022; Halton Region, 2022; Ontario Ministry of Education, 2024).

Despite years of advocacy, Ontario has not implemented a wage grid for the ELCC sector, unlike eight other provinces and territories[1]. Instead, the province announced a workforce strategy in January 2024 that included:

- raising the planned RECE starting wage for CWELCC operators from $20/hour to $23.86/hour in 2024;
- extending eligibility for the $1/hour supplement to more RECEs;
- measures to support entry into the profession and professional development.
- some "red tape reduction" and staffing flexibility, and

a promotional campaign to enhance the perceived value of the profession. (Ontario Ministry of Education, 2024)

By comparison, in Prince Edward Island in 2024, the starting wage for ECEs with a two-year diploma—set by a province-wide wage grid—was $28.36/hour, approximately equal to the average hourly wage of all full-time workers in that province. (Government of Prince Edward Island, 2024) PEI's experience demonstrates that paying educators decently and establishing a wage grid can effectively resolve recruitment and retention challenges. (Legislative Assembly of Prince Edward Island, 2024)

1 Newfoundland and Labrador, PEI, Nova Scotia, New Brunswick, Quebec, Manitoba, BC (partially), Nunavut, Northwest Territories, Yukon Territory all have wage grids that have resulted in raising the wages in the sector. Ontario, Saskatchewan and Alberta do not have wage grids. These three provinces have the lowest mandatory wages in Canada.

As of January 2025, Ontario's wage floor for RECEs in CWELCC centres increased to $24.86/hour. However:

- critical staff such as educators working under Director's Approval, cooks, and non-RECE program staff are not eligible for CWELCC wage improvements.
- wage enhancement grants (WEG) provide only partial support and are capped.

To receive the full WEG of $2/hour plus 17.5% in benefits as of January 1, 2025, staff must:

- be employed in a licensed centre or agency enrolled in CWELCC or exclusively serving children aged 6–12.
- have a base wage (excluding prior WEG) of $30.81/hour or less (i.e., at least $2 below the WEG ceiling of $32.81/hour); and
- be in an eligible position (supervisor, RECE, home visitor, or a staff member counted in ratios for children 6–12). (Ontario Ministry of Education, 2024)

The province is fully aware of low wages in the sector. Its own surveys and reports detail compensation ranges and demonstrate that most program staff benefited from the initial wage floor—Ontario's Lieutenant Governor noted that 75% of program staff would receive a raise when the floor was introduced. (Government of Ontario, 2023)

However, modest increases in minimum entry-level wages have not addressed the sector's workforce crisis. The Auditor General estimates that an additional 10,000 RECEs are required to staff existing spaces. She also found that 80,500 CWELCC spaces across Ontario are not operational or remain empty, with staff shortages as the most likely explanation. (Auditor General, 2024)

Research from the Atkinson Centre at OISE shows that annual earnings based on Ontario's minimum start rate for RECEs—even after wage top-ups—remain below the Canadian poverty line. Depending on the region, RECE earnings range from approximately 19% below the poverty line (Toronto) to 4% below in rural Ontario. (Akbari, et al., 2024)

A wage grid, extended health benefits, pensions, and improved working conditions are therefore essential, not optional, if Ontario is to stabilize its child care workforce.

ANNUAL EARNINGS BASED ON ONTARIO'S MINIMUM START RATE FOR RECES—EVEN AFTER WAGE TOP-UPS—REMAIN BELOW THE CANADIAN POVERTY LINE

2.7 LEVEL OF UNIONIZATION

Unionization and collective bargaining could play an important role in improving wages, benefits, and job security. However, union coverage in centre-based child care is relatively low.

As of March 2024:

- Only 10.8% of centre-based child care providers had unionized employees, compared to an overall unionization rate of 26.3% in Ontario.
- In the public sector, an estimated 82% of employees are covered by collective agreements.
- Among non-profit centre-based providers, 13.1% had unionized employees.
- Among for-profit providers, only 5.4% had unionized employees. (Statistics Canada, 2024)

This limited unionization, combined with chronic underfunding, weakens workers' bargaining power and reinforces low wages and limited benefits.

2.8 SUMMARY: A LABOUR-INTENSIVE SYSTEM BUILT ON LOW WAGES

Wages and benefits have always been the largest expenditure in child care centres. This reflects the labour-intensive nature of early learning and care. Staffing ratios for infants are particularly high, with labour costs estimated at roughly 80% of total costs in infant rooms, about 70% in toddler rooms, and approximately 60% in preschool rooms. (Childcare Policy.net, 2018)

This cost structure is well known to the province and underscores a key conclusion: if government funding does not support significantly higher wages, the system cannot deliver decent work.

By 2023–24:

- median wages for RECEs were only in the $20–$25/hour range;
- the minimum wage rate for RECEs in 2024 was $23.86/hour, not the median.
- community-based RECEs earned substantially less than workers in male-dominated occupations requiring similar education and less than RECEs in municipal centres.

These realities set the stage for the rest of the report: Ontario's funding model has entrenched low wages in a predominantly female workforce, with serious implications for pay equity, workforce stability, and the quality and accessibility of child care across the province.

PART III

THE ORIGINS OF LOW WAGES

The history of the models used to fund child care centres matters. This historic context sets the systemic conditions of low pay today. Child care is a classic model of a sex-segregated occupation. From a system built upon charitable welfare to the emergent mixed market model, women's work was less valuable and often invisible, as it resembled women's work in the home. The system was built upon undervalued women's care work.

3.1 FEDERAL INITIATIVES PRE-CWELCC

Under the Canadian Constitution, provinces and territories have jurisdiction over early learning and child care (ELCC). In Ontario, this responsibility falls to the Ministry of Education. Before CWELCC, the federal government's role was limited to conditional funding transfers.

Although infrequent and often inadequate, these federal transfers consistently shaped the evolution of child care in Ontario. With the introduction of CWELCC in 2021, the federal government became a major funder and policy driver in ELCC.

Child care services have existed in Ontario in various forms since the early 1900s. The early system was dominated by a "charity model" in which programs were operated by voluntary or religious organizations, supported by charitable donations. Women typically served as unpaid volunteers or were very low-paid workers.

As the 1970 Royal Commission on the Status of Women noted:

> "Many [women volunteers] now find themselves filling a gap in a welfare programme until the need for the service is firmly established and the government at some level is ready to provide it. A volunteer group, for example, undertakes to support a centre for latch-key children until funds are available from the municipality. Another group helps to staff a day-care centre until the municipality is in a position to provide paid staff" (Royal Commission on the Status of Women, 1970, p. 47)

Under this model, labour was "free" because it was not expected that predominantly female volunteers needed wages to live. A strong culture of "caring," "giving," and altruism became embedded in the sector.

This charitable history had a profound systemic impact on child care employees. It contributed to the social and economic devaluation of care work: wages were depressed because such work had historically been done for free. Child care workers experienced what has been called the "care penalty": their wages were low precisely because their work was closely tied to the unpaid caring work traditionally performed by women (Ontario Nurses' Association v Women's College Hospital, 1992).

Many of the skills, effort, responsibilities, and working conditions involved in women's work were long associated with women's "natural" roles and often done without pay, especially in the home. These skills became invisible and identified with being a woman rather than with the work itself. Courts have recognized this pattern, observing that "women are paid less because they are in women's jobs, and women's jobs are paid less because they are done by women. The reason is that women's work, in fact, virtually anything done by women, is characterized as less valuable" (Haldimand-Norfolk (No.3), 1990 para. 44).[2]

During World War II, the federal government offered provinces the Dominion-Provincial Wartime Agreement to develop child care services for mothers working in wartime industries. The agreement provided 50/50 cost-sharing between the federal and provincial governments and was offered to all provinces. Only Ontario and Quebec opened centres. When the war ended, the federal government revoked the agreement, and Ontario announced the closure of its centres. After public pressure, the City of Toronto maintained or reopened some centres, primarily serving low-income children receiving subsidies—thus continuing the charitable and welfare-based model (Friendly, 2011 p. 129-132).

The combined narratives of "care work" and "charitable work" reinforced the expectation that those working in the sector should not be paid well or enjoy improved working conditions. This culture of mandatory selfless concern for others' well-being, even at personal cost, has entrenched low wages.

THIS CULTURE OF MANDATORY SELFLESS CONCERN FOR OTHERS' WELL-BEING, EVEN AT PERSONAL COST, HAS ENTRENCHED LOW WAGES.

The result was a sector where wages remained lower than in much of the rest of the economy, despite child care workers increasingly being professionally trained, often with post-secondary credentials.

Before the mid-1990s, federal child care funding flowed mainly through the Canada Assistance Plan (CAP), a welfare-based program focused on subsidies for low-income families. Families who did not qualify for subsidies had to pay the full cost. (Canada Assistance Plan, 1966)

Advocates and academics challenged this welfare-based approach. The 1970 Royal Commission on the Status of Women famously recommended a national child care system, framing access as a matter of gender equality. The feminist movement that followed argued that child care was not a private family responsibility but a public good and essential infrastructure for women's economic participation.

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2 Also see: Pay Equity Hearings Tribunal Report 188 (Div. Ct); Association of Ontario Midwives v Ontario (Health and Long-Term Care), 2018 HRTO 1335; Quebec (Attorney General) v. Alliance du personnel professionnel et technique de la santé et des services sociaux, 2018 SCC 17 (CanLII), [2018] 1 SCR 464, at para 6.

In 1984, the Report of the Commission on Equality in Employment, chaired by Justice Rosalie Abella, reinforced this view. It identified the lack of child care as a major barrier to women's full participation in the workforce and argued that accessible, affordable, high-quality child care was a collective social responsibility and a cornerstone of employment equity. The Commission recommended that the federal government work with provinces and territories to develop an appropriate funding mechanism for child care and to enact a National Child Care Act following consultation. Critically, the Commission concluded that "childcare providers should be paid adequately" and that part-time workers should receive, on a pro-rated basis, the same protections, rights, and benefits as full-time workers (Abella, 1984, pp. 267-268).

In the mid-1980s, the federal Liberal government convened a national task force on child care, chaired by Katie Cooke. Its 1986 report recommended a federal–provincial cost-sharing model for a universal public system, stressing that child care was no longer a "frill" but an essential service for Canadian families. (Task Force on Child Care, 1986)

The Conservative government that followed took a different approach. In 1987, it established a Special Parliamentary Committee on Child Care, which proposed tax incentives and support for for-profit providers. These measures were widely criticized and not reintroduced after the 1988 election. (Special Parliamentary Committee on Child Care, 1987)

By the late 1980s, calls for universally accessible, affordable, high-quality child care were widespread, with growing attention to staff shortages, low pay, and poor working conditions. All three major parties pledged increased funding. In the 1993 federal election, the Liberal Party promised a cost-shared national program that would create 150,000 new spaces. Once in office, the government abandoned this commitment. (Liberal Party of Canada, 1993)

The first major breakthrough came in 2004, when Prime Minister Paul Martin announced a $5-billion, five-year plan for a national child care program inspired by Quebec's $5-a-day model. (Ministère de la Famille et de l'Enfance, 1997).

Agreements were signed with provinces, but not implemented before the Martin government lost power in 2006. The incoming Conservative government cancelled the agreements and replaced them with the Universal Child Care Benefit, a taxable $100/month per child with no requirement that it be spent on child care (Child Care Advocacy Association of Canada, 2013, pp. 339-340).

During the Harper government years (2006–2015), no progress was made on building a national system.

In 2015, the newly elected Liberal government promised a "national framework" for affordable, inclusive, high-quality child care. Momentum increased when the federal government signed a Multilateral Early Learning and Child Care Framework with provinces and territories, committing new funds while leaving much of the design and accountability to the provinces. While this signalled renewed federal interest, the scale and conditions were insufficient for full system-building.

Prior to CWELCC, federal funding accounted for only about 6% of total ELCC spending in Ontario. (Government of Canada & Government of Ontario, 2017, 2021)

3.2 ONTARIO'S CHILD CARE INITIATIVES PRE-2021

While federal governments often promised reform, constitutional responsibility for child care lies with the provinces.

Conservative Governments, 1943–1985

For more than four decades, Ontario's Progressive Conservative governments did not treat child care as a policy priority. The province largely followed a CAP-based charity-and-subsidy model: subsidies for low-income families and a heavy reliance on parent fees for everyone else. This framework persisted, with only incremental changes, until the mid-1980s. Advocates pushed for more subsidies, reforms to the subsidy system, better regulations, and direct operating dollars.

The Liberal–NDP Accord, 1985–1987

The election of a minority Liberal government in 1985, supported by the NDP, marked a turning point. The government's Green Paper on Pay Equity (1985) identified access to affordable child care as central to eliminating the gender wage gap and stressed the need for proactive legislation guaranteeing equal pay for work of equal value. For child care employees, this signalled a commitment both to expanding services and recognizing the value of their work (Government of Ontario, 1985)

Two major reforms emerged:

- Pay Equity Act (1987) – Landmark legislation requiring equal pay for work of equal value, with direct implications for ECEs and child care staff (see Part IV) (Pay Equity Act, 1990).
- Direct Operating Grant (DOG) (1987) – For the first time, Ontario provided partial operating funding directly to licensed centres, moving beyond reliance solely on fees and subsidies (Childcare Resource & Research Unit, 1994).

Studies at the time, including a major sector study examining child care employees for the Pay Equity Commission in 1988, highlighted that child care was a labour-intensive service staffed almost entirely by women. Salaries accounted for 70–90% of budgets, yet wages were "dismally low," making child care providers the lowest-paid occupation in Canada (Anstey, 1988, p. 27).

As women's labour force participation rose, demand for child care increased, but wages remained low (Anstey, 1988, p. 10-11). The province's own research concluded that child care was perceived as "women's work," with nurturing viewed as a natural extension of women's biological role. Society placed a low value on caring for children, and low wage-setting policies reflected the marginalization of women's work and the undervaluation of children as an economic and social resource (Anstey, 1988, pp. 27 & 31).

A key finding was that parent fees were the primary revenue source, especially for non-profit and for-profit providers. Any wage increases for staff would require higher parent fees. As fees became unaffordable, wages stagnated. Under this fee-funded system, there could be no pay equity without additional government funding dedicated to salaries (Anstey, 1988, pp. 17, 22, 24 & 25).

The study concluded that the province, which controlled delivery, licensing standards, operational regulations, funding, and expansion, had the power to change this but had not done so. (Anstey, 1988)

Expansion of Full-Day Kindergarten

One of the most transformative developments came in 2010 under the Ontario Liberal government. Building on Dr. Charles Pascal's report, With Our Best Future in Mind, the province introduced full-day junior and senior kindergarten (JK/SK). By 2014, all four- and five-year-olds had access to free, full-day kindergarten (6 hours daily), with optional fee-based before- and after-school care (Pascal, 2009).

Each class was staffed by a certified teacher and a Registered Early Childhood Educator (RECE), known in the school system as a Designated Early Childhood Educator (DECE). This reform fundamentally reshaped early learning in Ontario and created a new, relatively higher-paid employment sector for RECEs within school boards.

The Regulatory Framework

For decades, Ontario's child care sector operated under the Day Nurseries Act (1946), which set requirements for staffing ratios, group sizes, educator qualifications, space standards, and health and safety. This regime created one of the strongest regulatory frameworks in the country but placed heavy responsibility on operators and educators without addressing the underlying problems of low wages and inadequate funding. (Day Nurseries Act, 1946)

In 2014, the Day Nurseries Act was replaced by the Child Care and Early Years Act, 2014 (CCEYA), and Regulation 137/15, with additional oversight to address risks in unlicensed care. A detailed analysis of CCEYA's impact is provided in Part VI. (Child Care and Early Years Act, 2014; O. Reg. 137/15)

Wage Enhancement and Workforce Challenges, 2015–2021

Ontario first introduced a Wage Enhancement Grant (WEG) in 1991–92 under the Rae government to improve wages and reduce turnover in licensed child care. The WEG survived mid-1990s cuts, remained largely unchanged through the 2000s, and was modernized in 2015 under the Wynne government with a standardized $1–$2/hour enhancement (Ontario Ministry of Education, 2015).

In 2015, Ontario introduced a wage enhancement grant of $1/hour for staff earning up to $26.27/hour, followed by another $1/hour in 2016. Premier Kathleen Wynne framed this as a step toward closing the wage gap (Professional Pay for Professional Work, 2015).

Despite these measures, systemic issues persisted. In 2015, the Association of Early Childhood Educators of Ontario (AECEO) released a discussion paper highlighting stagnant wages, regional disparities, and competition from better-paid school board positions (particularly DECE roles). Between 1998 and 2012, ECE wages declined by 2.7% in real terms when the cost of living was considered. (AECEO, 2015)

The AECEO argued for a publicly funded wage scale that would ensure equity with comparable public-sector roles without shifting costs onto parents and rooted its proposals explicitly in the principles of pay equity and equal pay for work of equal value (AECEO, 2015).

TABLE 8: HISTORY OF WAGE ENHANCEMENT GRANTS FOR CHILD CARE

Year	Initiative	Description
1987	Direct Operating Grant (DOG) introduced	Provincial operating subsidy to licensed child-care centres in Ontario.
1991	Wage Enhancement Grant (WEG) was first introduced	Introduced to improve wages for licensed child-care centre staff, particularly where pay equity shortfalls existed. (Mount Royal University+1, 1991)
2015	WEG modernized	Province announces a $1/hour wage enhancement for eligible child-care workers. (Ontario Newsroom)
2016	WEG further increased	Grants increased to up to $2/hour plus benefits; home child care providers up to $20/day. (OISE+1)
2022	Canada-Wide Early Learning and Child Care (CWELCC) system rollout†	WEG integrated into a broader workforce compensation framework under CWELCC (though often still a distinct grant).
2025	Latest WEG eligibility guidelines	WEG supports up to $2/hour plus 17.5% benefits; eligibility ceilings set.

The AECEO argued for a publicly funded wage scale that would ensure equity with comparable public-sector roles without shifting costs onto parents and rooted its proposals explicitly in the principles of pay equity and equal pay for work of equal value (AECEO, 2015).

Closing the gender wage gap became a provincial priority in 2016 with the creation of the Closing the Gender Wage Gap Steering Committee. Consultations across Ontario clearly identified:

- The low wages and poor conditions of child care employees.
- The loss of newly trained workers leaving the sector due to low pay; and
- The broader impact on women's equality (Ministry of Labour and Minister for Women's Issues, 2016).

The Steering Committee concluded that raising wages and benefits, and improving working conditions, would help attract and retain staff, improve quality, and raise society's valuation of caregiving and other female-dominated work.

Three recommendations are particularly relevant:

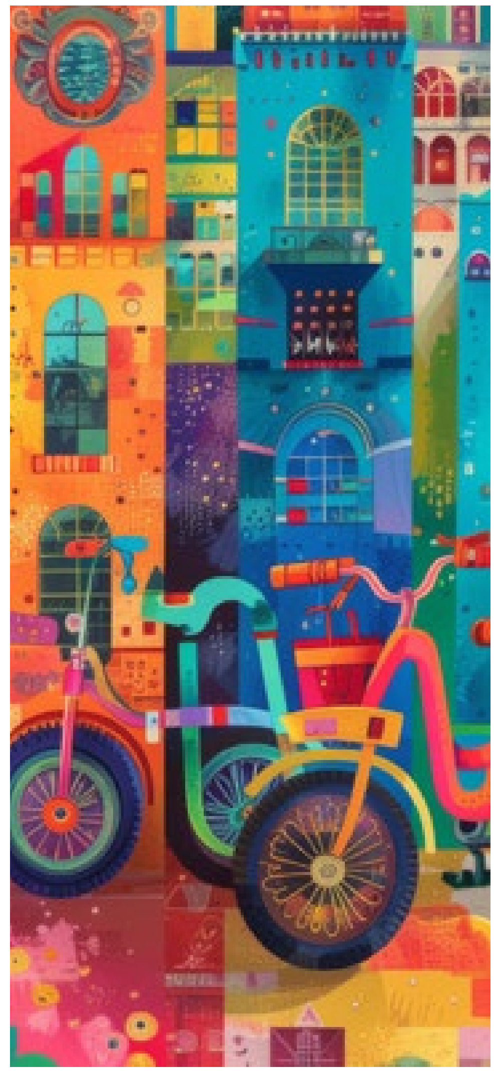
1. The government should commit to developing an ELCC system within a defined timeframe that is high-quality, affordable, accessible, publicly funded, and income-geared, with sufficient spaces to meet families' needs.

2. The government should address barriers to compliance and support employers in fulfilling ongoing obligations (including pay equity).

3. The government should consult with workplace parties on how to value work in female-dominant sectors using pay equity or other tools, and coordinate pay equity with wage enhancement programs in the broader public sector, including child care centres. (Ministry of Labour & Minister for Women's Issues, 2016)

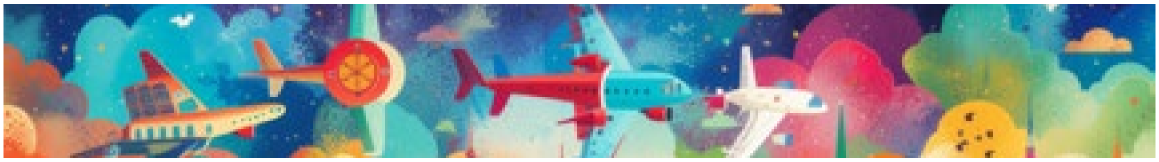
In 2018, Ontario released Growing Together: Ontario's Early Years and Child Care Workforce Strategy, pledging to recognize the value of ECEs' work. As part of a $2.2-billion budget commitment, the government promised new funding for compensation and a wage grid by April 2020:

> "These commitments for child care will help reduce the gender wage gap by allowing parents to return to work when they choose. In addition, we know that low compensation in the early years and in the child care workforce – a predominantly female sector – can leave educators themselves caught in the gap. We are taking action to address this issue by creating a wage grid, first announced in the 2018 Budget, and will continue to work to reduce the gender wage gap for women across Ontario" (Ontario Ministry of Education, 2018).



The Wynne government also commissioned the Affordability for All study, which recommended bold reforms, including free child care for all three- and four-year-olds. The study found that the major barrier to expansion was a shortage of RECEs driven by low wages and low occupational appeal. It warned that compensation must rise to attract capable, well-qualified staff who would choose to stay in the sector. These proposals were included in the 2018 Budget but abandoned following the election of the Ford government. (Cleveland & Krashinsky, 2018)

The incoming Ford government did not advance child care as social infrastructure. Instead, its signature child care initiative was the Childcare Access and Relief from Expenses (CARE) tax credit, which reduced some families' out-of-pocket costs at tax time but provided no structural funding for wages, leaving parent fees as a major revenue source and maintaining downward pressure on staff compensation. (Government of Ontario, 2019)



3.3 THE MUNICIPAL ROLE

Under CCEYA, the 47 CMSMs/DSSABs became Service System Managers (SSMs), responsible for planning, administering, and partly funding child care in their regions. Ontario is the only province to have downloaded the administration of child care to municipalities (Child Care and Early Years, 2014).

Cost-sharing arrangements were legislated:

- The province covers 80% of service costs and 50% of administrative costs.
- municipalities fund the balance and;
- where multiple municipalities share a service area, costs are apportioned through agreements (O REG 138/15 s.7(2)).

This system made municipalities critical to child care delivery, yet their ability to support wages was constrained by provincial funding levels and policy direction. By 2022, municipalities were contributing about 22% of their own revenues to ELCC (Friendly, 2024). Many SSMs tried to prevent fee hikes by using general operating grants and other supports (Cleveland, Krashinsky & Colley, 2018).

3.4 PARENT FEES AS A PRIMARY SOURCE OF REVENUE IN THE MIXED-MARKET SYSTEM

Prior to CWELCC, Ontario's ELCC sector was publicly regulated but market-delivered, held together by high parent fees, modest provincial supports, some municipal investments, and the underpaid labour of mostly women workers.

Minimal provincial funding was spread thinly across the sector to ease extreme pressures, but the primary funding source remained ever-rising parent fees, which varied by region and age group. Large cities such as Toronto and Ottawa had some of the highest fees in Canada, reaching up to $100/day (Macdonald & Friendly, 2020).

SSMs, operators, advocates, and parents consistently emphasized that wage increases could not be sustained through higher fees. Centres operated with razor-thin margins, if any, making it impossible to absorb higher wages. As summarized in Affordability for All, based on interviews with CMSMs/DSSABs, the top two challenges to sector viability were wages and recruitment/retention. SSMs called for:

- a province-wide salary scale funded by the Ministry; and
- bold measures to address recruitment difficulties (Cleveland, Kranshinsky & Colley, 2018).

Without addressing low wages, expanding the system was impossible. Centres in low-income neighbourhoods faced particularly acute challenges. Approximately 40% of infants, 34% of toddlers, and 31% of preschool children in centres relied on subsidies (Cleveland, Kranshinsky & Colley, 2018, pp. 3 & 27). Raising fees to cover actual operating costs was virtually impossible; consequently, staff wages were suppressed to keep centres open (CCCF & CDCAA, 2002).

Key features of Ontario's pre-CWELCC system included:

- High parent fees – making sustained, affordable, high-quality care out of reach for many families, with infant care the most expensive, especially in Southern Ontario cities such as Toronto, Markham, Vaughan, Oakville, Mississauga, Kitchener, and Richmond Hill (Macdonald & Friendly, 2020).
- Inconsistent access – some families had good local options, others had none.
- Funding gaps – subsidies, grants, and wages depended on shifting provincial priorities and uneven municipal support; funding was never sufficient.
- No universal system – unlike K–12 education, child care operated as a market-based service rather than an essential social infrastructure.
- Low wages for all centre staff – RECEs, supervisors, education assistants, and support staff in community-based centres earned far less than their counterparts in municipal centres.

In effect, child care staff subsidized the system through low wages, poor working conditions, and limited or no benefits (Macdonald & Friendly, 2020, 2021).

The federal and provincial funding history shows a sector characterized by incremental gains, bold promises, and recurring setbacks. Ontario's reforms—pay equity legislation, operating grants, full-day kindergarten, wage enhancements—have each left a mark, but chronic underfunding and wage inequities continue to undermine stability and growth.

PART IV

ENFORCING PAY EQUITY IS VALUING CHILD CARE EMPLOYEES

Child care employees were a leading example inspiring Ontario's Pay Equity Act: a predominantly female workforce whose work was undervalued and underpaid.

Compensation free from discrimination is the law. In the almost 40 years since its enactment in 1988, the Pay Equity Act and the human right to equal pay for work of equal value have remained critical tools for redressing systemic gender wage discrimination in child care.

Pay equity is a quasi-constitutional human right in Ontario. It gives effect to a fundamental value: women must not be discriminated against in compensation for work of equal value to men. Pay equity rights are serious and non-negotiable. No employer covered by the Act may "contract out" of its obligations or set compensation below the pay equity rate—the human rights floor.

This section provides a brief overview of the Pay Equity Act's remedial role and requirements in the child care sector. Appendix 1 offers a detailed technical overview; Appendices 2 and 3 present case studies of pay equity implementation in two child care centres; Appendix 4 illustrates job-to-job and proxy comparison methods. Appendix 5 provides examples of job rates in municipal child care centres, and Appendix 6 gives a list of all the municipal child care centres in the province.

4.1 THE PAY EQUITY ACT AND WHO IS COVERED

Pay equity is the legal right to equal pay for work of equal value. Where a male-dominated job class and a female-dominated job class are of equal value, they must receive equal compensation.[3]

The Act's purpose is to redress systemic discrimination in compensation arising from the historic, social, and economic devaluation of women's work. It responds to deep patterns of occupational segregation and the persistent undervaluation of female-dominated jobs relative to male-dominated jobs (Centrale des syndicats du Québec v. Québec (Attorney General), 2018).

Historical attitudes about women's roles in society, and stereotypical assumptions about women's aspirations, capabilities, and "suitability" for certain jobs, produced entrenched occupational sex

3 See the Federal Pay Equity Commission's redressing of redressing short video, What is Pay Equity, for a quick basic introduction to the concept of pay equity: https://www.youtube.com/watch?v=LRJ8AyKL_8M
The Ontario Pay Equity Commission's Resources: https://payequity.gov.on.ca/the-gender-wage-gap-its-more-than-you-think.
The Canadian Women's Foundation's series on the gender pay gap: https://canadianwomen.org/the-facts/the-gender-pay-gap/

segregation—clusters of female-dominated and male-dominated jobs.

The Supreme Court of Canada and specialized tribunals have repeatedly acknowledged this context and the importance of pay equity:

> "The mischief at which it [the Pay Equity Act] is principally aimed is the existence of a wage gap that disadvantages women, as a result of gendered segregation in employment and the systemic undervaluation of the work typically performed by women" (Centrale des syndicats du Quebec v Quebec (Attorney General), 2018).

Child care employees, who are overwhelmingly women, exemplify this problem. Their concentration in low-paid child care jobs is a clear case of systemic discrimination.

Pay equity requires comparing jobs by gender to address this discrimination. For example, a female-dominated early childhood educator job has been found to be of equal value to stereotypical male jobs in her municipal workplace, such as lead hand, special equipment operator and a fleet maintenance serviceperson. In such cases, higher male compensation triggers pay equity adjustments for the female-dominated job.[4]

The Act applies to all employers with 10 or more employees in both the private and public sectors. All new employers must ensure their wages are pay-equity compliant upon start-up. Child care centres that opened after 1988 and have operated continuously should therefore be pay-equity compliant.

For the purposes of the Act, child care centres form part of the public sector. This includes not-for-profit, for-profit, and municipal centres.

Pay equity applies to all employees in the workplace: full-time, part-time, and casual staff. This includes executive directors, RECEs, non-RECE program staff, cooks, custodians, housekeepers, and others.

Employers must both establish and maintain pay-equitable compensation practices. Where workers are unionized, both the employer and the union share responsibility. Jobs and compensation must be evaluated using gender-neutral methods; where female-dominated jobs are paid less than male-dominated jobs of equal value, compensation for the female job classes must be increased. The results are recorded in a pay equity plan posted in the workplace.

Once implemented, the plan must be maintained. Employers must revisit the male comparators'

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4 See, for example, City of Ottawa and CUPE Local 503 collective agreement, Band 9 a child care teacher 1 job is in the same band 9 as the Lead hand Special Equipment Operator and other male-dominated jobs. The Pay Equity Act required that pay equity plans in municipalities were to be completed by 1990 and adjustments completed in 1998. The Pay Equity Act uses the term "establishment" rather than workplace to mean "all of the employees of an employer employed in a geographic division" or in such geographic divisions as are agreed with the bargaining agent.

wage rates and ensure that systemic discrimination does not re-emerge.[5]

The Act's analysis is comprehensive; it does not follow funding stream divisions and does not exempt non-program staff. The Pay Equity Hearings Tribunal has repeatedly stated that a lack of funding or an "inability to pay" is not a defensible reason for being in non-compliance with the Act.

In short, the Act addresses the discriminatory gender wage gap created by:

1. Gendered occupational segregation (e.g., a female-dominated sector like child care).
2. Systemic undervaluation of women's work (e.g., care work).
3. Wage discrimination resulting from the belief that women are "naturally suited" to such work and therefore do not require appropriate compensation.

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5 See Section 7 of the Act: "every employer shall establish and maintain compensation practices that provide for pay equity in every establishment of the employer. Ontario Nurses' Association v. Participating Nursing Homes, 2021 ONCA 148 (CanLII), https://canlii.ca/t/jdmc1,

4.2 VALUING AND COMPARING WORK IN FEMALE-DOMINATED CHILD CARE CENTRES: THE PROXY COMPARISON SYSTEM

The Act requires comparisons between female-dominated jobs (such as child care) and male-dominated jobs, using a gender-neutral job evaluation tool. This tool measures the value of work based on four factors:

- skill,
- effort,
- responsibility, and
- working conditions.

Each workplace must have a job evaluation system capable of:

- Assigning points to job classes to reflect their value; and
- Comparing female-dominated and male-dominated job classes.

A common analogy is comparing apples and oranges: different in kind but comparable using common metrics such as calories, fibre, sugar, or vitamins. A job evaluation tool similarly identifies key job elements (e.g., communication skills, dexterity, ability to manage children or aggressive clients) and assigns points to each job based on the four factors.

Historically, job evaluation tools were developed in male-dominated industrial settings and often made women's work invisible. Pay equity prompted the development of new, gender-neutral tools that properly recognize women's jobs.

Job evaluation focuses on the work, not its market value or the individual in the role.

In most child care centres, there are few or no male-dominated jobs available for comparison. Without male comparators, the Act's two traditional job-to-job or proportional value comparisons methods, which require male comparators within the same workplace, cannot be used.[6]

6 See s. 5.1(1) of the Pay Equity Act which prescribes three types of value-compensation comparison systems between female-dominated job classes and male-dominated job classes: the job-to-job comparison system, the proportional value comparison system and the proxy comparison system found in Part III.2 of the Act.

Recognizing this issue, the Minister of Labour acknowledged, when the Act was introduced, that:

> "Child care workers working in municipalities will have male comparison groups, but those in small nonprofit child care centres may be working in an all-female establishment" (Ontario Nurses' Association v. Participating Nursing Homes, 2021, para. 16-19).

To address this, the Act was amended in 1993 to create the proxy comparison method. The idea was to identify an external set of job classes that had already achieved pay equity in another public sector organization and use them as deemed male comparators. Child care centres would borrow job information and compensation information to conduct the pay equity analysis. Without the proxy comparison, it is not possible for women working in female-dominated workplaces without male comparators to participate in pay equity. (O. Reg. 396/93)

Regulation 396/93, Proxy Method of Comparison, prescribes that the proxy comparator for child care centres is:

- a municipality operating a daycare facility in the same geographic division, or
- if none exists, the municipality whose administrative offices are closest, or
- a municipality whose job rates can provide a representative range of pay equity-compliant wage rates.

Child care centres operated directly by municipalities would have their own male comparators and thus establish pay equity internally. Their job information and wage rates then serve as the deemed male comparator for non-municipal child care centres using the proxy method.

4.3 ESTABLISHING THE PAY EQUITY TARGET RATE

For female-dominated child care centres, a "pay equity target rate" should serve as a proxy for a male comparator rate. Under the proxy method, the child care centres use municipal job information and compensation data from comparable job classes that have achieved pay equity. The child care centre is required to evaluate the municipal jobs using its own gender neutral comparison tool. This way, the child care centre now has the value of the "deemed male job class" as well as the compensation information from the municipality (Ontario Nurses' Association v Participating Nursing Homes, 2021).

The pay equity target rate for each job in the centre is established by:

- comparing the centre's job value (points) and job rate to the municipal wage line generated from the job evaluation of the municipal jobs and the municipal wage data; and
- identifying the municipal pay equity-compliant wage for a job of the same value.

If the centre's job rate is lower than the municipal rate for that value, a pay equity gap exists and must be closed through upward wage adjustments.

A regression analysis is used to generate a wage line from municipal data (the relationship between the value and the compensation). The centre's jobs are then mapped onto this line to determine the target rate.

The Act required employers using the proxy comparison system, including child care centres, to make annual pay equity adjustments equal to 1% of payroll until the pay equity target rate was achieved. Unlike workplaces with internal male comparators, under the proxy system, no deadline was set for completing these adjustments. The obligation to pay 1% of payroll annually remains in effect until the target rate is reached.

A more detailed description and illustrative charts are provided in Appendix 1 and Appendix 4.

4.4 GOVERNMENT FUNDING FOR THE PROXY SYSTEM

When the proxy method was introduced, the government acknowledged that some public sector employers faced serious financial challenges in meeting their pay equity obligations. It is committed to providing "significant financial assistance" to help those in greatest difficulty, particularly organizations using the proxy method (Mackenzie, 1991; Ontario Budget, 1991). In 1991, the government committed approximately $1 billion annually at maturity for pay equity adjustments across the broader public sector and promised to fund 100% of proxy costs for non-profit employers (Laughren, 1991).

That year it launched an interim program providing a "down payment" toward pay equity in low-paid sectors, including child care. Approximately 14,000 child care employees received $2,000 payments each (Mackenzie, 1993).

In 1992–93, the government allocated $385 million for pay equity adjustments and reaffirmed its commitment to fund the full cost of proxy comparison adjustments for female job classes in the non-profit public sector (Ontario Ministry of Labour, 1992).

IN A LANDMARK $441-MILLION SETTLEMENT, THE GOVERNMENT AGREED TO FUND PAY EQUITY LIABILITIES OWED TO TRANSFER PAYMENT ORGANIZATIONS, INCLUDING CHILD CARE CENTRES

4.5 1996–2001: ATTEMPTS TO REPEAL THE PROXY SYSTEM

Between 1996 and 2001, the Conservative provincial government took a very different approach. It attempted to repeal and defund the proxy comparison system.

Women's organizations and unions challenged these measures in court. In 1997, the Ontario Superior Court found that attempting to repeal the proxy provisions violated equality rights under the Canadian Charter of Rights and Freedoms, discriminating against proxy sector women by denying them the tools needed to quantify and correct systemic wage inequities—tools available to other women in the broader public sector (Service Employees International Union, Local 204 v Ontario, Attorney General, 1997).

The government then stopped funding pay equity for proxy employers. In 2001, a second Charter challenge was launched by five unions and individual applicants, arguing that the withdrawal of funding violated Charter equality rights and seeking a court order for funding to continue.[7]

The case was settled. In a landmark $441-million settlement, the government agreed to fund pay equity liabilities owed to transfer payment organizations, including child care centres.

7 See Notice of Application to the Ontario Superior Court of Justice: CUPE, ONA, SEIU, USW and E. Chontos, A. Dipietro, M. Kelly and P Williams v. the Crown represented by the Attorney General of Ontario and the Minister of Finance. See the Memorandum of Settlement at https://equalpay-coalition.org/pay-equity-enforcement-and-decisions/

4.6 PAY EQUITY MEMORANDUM OF SETTLEMENT

As part of the settlement, a special fund was created to provide eligible child care centres with annual funding—approximately 1% of payroll—for pay equity adjustments.

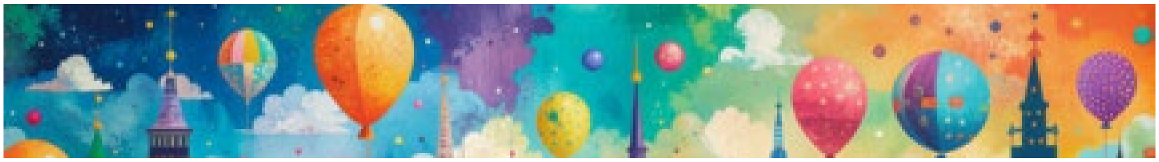
The "Pay Equity Memorandum of Settlement" envelope applies to licensed child care centres that existed at the time of the settlement. This funding, now housed under Local Priorities Funding, continues today and is dedicated to covering pay equity adjustments for centres that can demonstrate that their 1994 pay equity target rates have not yet been fully reached (Ontario Ministry of Education, 2025).

The Ministry of Education's January 2025 Local Guidelines for CMSMs/DSSABs set out strict eligibility criteria. To receive Pay Equity Memorandum of Settlement funds, licensed child care programs must:

- be enrolled in CWELCC or exclusively serve children aged 6–12;
- have an order from the Pay Equity Commission requiring proxy comparisons;
- have posted pay equity plans based on proxy comparisons;
- have current or outstanding proxy obligations; and
- receive funding through CMSMs/DSSABs.

The Guidelines confirm that the province will continue to flow these funds as agreed in the 2003 Memorandum of Settlement and that integrating pay equity expenses into Local Priorities allocations does not relieve CMSMs/DSSABs or licensees of their obligations. Centres must continue to make pay equity adjustments of 1% of annual payroll where adjustments remain owing (Ontario Ministry of Education, 2025).

These settlement funds—some fully allocated by 2007—appear to be the only dedicated pay equity funding currently available to child care centres, and only to those meeting strict eligibility requirements.



4.7 MAINTAINING PAY EQUITY IN CHILD CARE CENTRES

The Act requires not only establishing but also maintaining pay equity.[8] For proxy employers, this means:

- ensuring that current job rates for female job classes are at least equal to the current pay equity target rate based on the municipal comparator; and
- periodically updating comparisons with the municipality's job information and compensation rates to ensure no new pay equity gaps emerge.

Simply tracking and updating the original 1994 target rate using the centre's own general wage increases is not sufficient. Maintenance requires new comparisons with up-to-date municipal data.

Maintaining pay equity in proxy workplaces has been contentious. Since 2009, long-term care employers have argued that they were not required to maintain pay equity using the proxy comparator and that they were not obliged to continue referencing the deemed male comparators used in initial plans.

Unions representing workers in long-term care challenged this interpretation, arguing that in workplaces with internal male comparators, the Tribunal routinely uses the same method for maintenance as for establishing pay equity, recognizing that systemic discrimination can re-emerge (Ontario Nurses' Association v Participating Nursing Homes, 2021).[9]

The Supreme Court of Canada has clarified that women in workplaces without male comparators often suffer more acutely from pay inequity. In a Quebec case, the Court ruled that singling out women in female-dominated workplaces for inferior treatment violates Charter equality rights, noting that these women are "those whose pay has, arguably, been most markedly impacted by their gender" (Centrale des syndicats du Québec v. Quebec (Attorney General), 2018).[10]

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8 See section 7 of the Pay Equity Act. 7 (1) Every employer shall establish and maintain compensation practices that provide for pay equity in every establishment of the employer. (2) No employer or bargaining agent shall bargain for or agree to compenemployers in the long-term care sector have claimed that pay equity in female-dominated agencies need not sation practices that, if adopted, would cause a contravention of subsection (1).

9 This case started at the Pay Equity Hearings Tribunal in 2012 with the Tribunal decision issued in 2016. A judicial review to the Ontario Divisional Court followed. The Divisional Court's decision was appealed to the Ontario Court of Appeal. The Long-term care homes requested an appeal to the Supreme Court of Canada and their request was denied. This case involves a specific sector-wide pay equity plan signed in 1995 and involved a global $1.50 pay equity adjustment.

10 See also the companion case, Quebec (Attorney General) v. Alliance du personnel professionnel et technique de la santé et des services sociaux, 2018 SCC 17 (CanLII), [2018] 1 SCR 464, <https://

In Ontario, the Pay Equity Hearings Tribunal has confirmed that all employers covered by the Act must maintain pay equity.

In 2021, the Ontario Court of Appeal held that women who achieved pay equity through the proxy method must continue to have access to deemed male comparators and their job rates for maintenance purposes. Female-dominated workplaces are not bound by the original 1994 target; that target must be updated and maintained (Glen Hill Terrace Christian Homes Inc. v Canadian Union of Public Employees (CUPE) Locals 2225-06/12 and 5110, 2021).

The Court ordered the Tribunal to specify procedures for maintaining pay equity in proxy workplaces. The Tribunal is doing so in Glen Hill Terrace Christian Homes Inc. v Canadian Union of Public Employees (CUPE) Locals 2225-06/12 and 5110.

In November 2021, the Tribunal directed Glen Hill and CUPE to begin the proxy maintenance process by:

1. negotiating a gender-neutral job evaluation tool; and
2. evaluating internal job classes at Glen Hill.

A second phase—gathering information from the proxy comparator and the municipality about jobs and compensation, and determining any maintenance gaps—remains under consideration. The Tribunal heard arguments from the parties and nine interveners in September 2025; its decision is pending.

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4.8 WORK TO BE DONE: STARTING THE PAY EQUITY MAINTENANCE PROCESS

For child care centres that have reached the original 1994 pay equity target rate, maintenance work is now required.

Triggers for a maintenance review include:

- evidence that municipal child care workers' job rates have risen faster than those in child care centres;
- significant changes in job content or responsibilities for centre staff;
- indications that a new wage gap has emerged.

To maintain pay equity, centres must:

1. Evaluate the work of female job classes using a gender-neutral job evaluation system, in line with the Tribunal's direction in the 2021 Glen Hill decision; and
2. Update comparisons with the proxy municipality once the Tribunal finalizes procedures for accessing municipal job and wage data.

At present, the first step—reviewing and re-evaluating internal job classes—can and should proceed. The second step—obtaining updated proxy data from municipalities—is on hold pending the Tribunal's final decision.

The Tribunal's decision is expected sometime in early 2026. It should provide critical guidance to child care centres on completing the maintenance process and ensuring that pay equity for child care employees is not only established but also preserved over time.

PART V

TRANSFORMATION TO A PUBLICLY FUNDED SYSTEM – WITHOUT PAY EQUITY

5.1. A NEW FEDERAL ARCHITECTURE FOR CHILD CARE

In 2021, the federal government announced the most significant new social program in recent history: a national child care system designed to reduce average parent fees to $10-a-day by March 31, 2026. This became the Canada-Wide Early Learning and Child Care (CWELCC) system, widely known as the "$10-a-day" plan.

The 2021 federal budget committed almost $30 billion over five years to transform child care from the patchwork, market-driven system described earlier into an affordable, accessible, high-quality public service. With CWELCC, the federal government became a central funder and policy driver in licensed child care for children under age six. (Canada, Department of Finance, 2021)

Importantly, CWELCC applies only to licensed spaces for children aged 0–5. School-age programs (6–12) remain outside the program and continue to rely heavily on parent fees, even though they operate under the same legislation and regulatory framework.

From the outset, CWELCC was not framed as only an affordability initiative. The federal Action Plan repeatedly referenced the need for workforce development, including "strengthening the early childhood workforce through enhanced compensation, training, and professional learning opportunities." Affordable parent fees and a stable, fairly paid workforce were intended to be two sides of the same coin. (Government of Canada & Government of Ontario, 2022)

Following the 2021 announcement, the federal government negotiated bilateral agreements with each province and territory, setting out action plans to build a universal, affordable system. Ontario signed its agreement in March 2022, after extended negotiations over funding levels and targets. As the following sections show, Ontario's approach to funding—and especially its decision to flat-line and constrain its own expenditures—has had profound consequences for child care employees' wages and pay equity.

5.2. BILL C-35: ENTRENCHING CWELCC AND WOMEN'S EQUALITY IN FEDERAL LAW

Although CWELCC funding began in 2022, it was formally entrenched in law on March 19, 2024, when Bill C-35, An Act respecting early learning and child care in Canada, received Royal Assent. (Bill C-35, 2024)

The preamble to Bill C-35 explicitly recognizes:

> "the beneficial impact of early learning and child care on child development, on the well-being of children and of families, on gender equality, on the rights of women and their economic participation and prosperity and on Canada's economy and social infrastructure." (Bill C-35, 2024)

The Act commits the federal government to supporting the establishment and maintenance of a Canada-wide early learning and child care system, including before- and after-school care for kindergarten-aged children. Its purpose is to work with provinces, territories, and Indigenous partners to build and sustain such a system, guided by clear funding principles: accessibility, affordability, inclusion, and quality.

One of those principles specifically concerns the workforce. Bill C-35 requires that funding support:

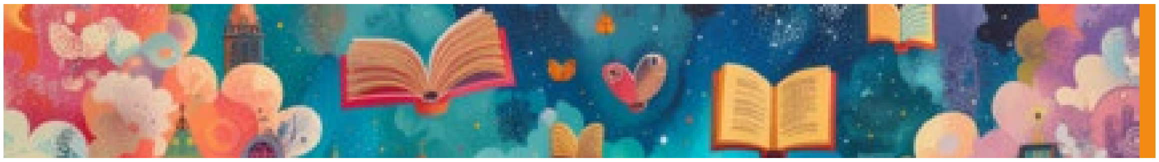
> "…the recruitment and retention of a qualified and well-supported early childhood education workforce, recognizing that working conditions affect the provision of those programs and services." (Canada, 2020)

By embedding this principle in legislation, the federal government acknowledges an important truth: the conditions of work are the conditions of care. Wages, benefits, and working conditions are not secondary considerations; they are central determinants of quality and of gender equality.

5.3. ONTARIO'S CWELCC AGREEMENT: SCOPE, OMISSIONS, AND LIMITS

Ontario signed its bilateral Canada-Wide Early Learning and Child Care Agreement in March 2022. Under this agreement:

- CWELCC funding applies exclusively to licensed spaces for children aged 0–5.
- Programs serving children aged 6–12 (including before- and after-school care) do not receive CWELCC operating funding and continue to rely primarily on parent fees, supplemented by provincial and municipal grants.



Ontario's bilateral agreement formally aligns with the broad purpose and principles of Bill C-35—affordability, accessibility, inclusion, and quality—in exchange for long-term federal funding. However, it also has a notable omission.

The Preamble to the Canada–Ontario Agreement does not explicitly highlight the role of child care in advancing gender equality, women's rights, and women's economic participation, even though this is central in Bill C-35 and in other federal ELCC frameworks. The absence of this language weakens the explicit recognition that child care is a core tool for gender justice and for closing the gender wage gap—exactly the issues at the heart of this report. (CWELCC, 2022)

At the same time, as Part VI shows, Ontario's own ELCC operating expenditures have essentially flatlined. Once the CARE tax credit is factored in, total provincial ELCC expenditures in 2024–25 have increased by only $69 million compared to the period when the previous Liberal government left office. In other words, while federal spending has risen dramatically, Ontario's net contribution has barely moved. This flatlining is central to understanding why wages remain low and pay equity remains out of reach.

5.4 A TWO-TIER WORKFORCE: 0–5 VS. 6–12

The age-restricted nature of CWELCC created a predictable and immediate problem. Many licensed service providers operate:

- CWELCC-funded programs for children 0–5, and
- non-CWELCC programs for school-aged children 6–12

often within the same organization and sometimes in the same building.

Under CWELCC, programs serving children 0–5 receive cost-based, publicly funded allocations that include a wage floor and workforce compensation. In contrast, programs serving children 6–12 must continue to finance most of their staff wages through parent fees, with only partial support from provincial and municipal grants.

The result was the emergence of a two-tier workforce:

- RECEs and other program staff working with 0–5-year-olds had access to CWELCC wage floors and associated enhancements.
- Educators working with 6–12-year-olds did not.

Within a single employer, staff doing similar work under the same legislation and regulatory framework faced different wage regimes solely because of the age of the children they served.

The only mechanism for school-age programs to raise wages to levels comparable to their CWELCC counterparts was to increase parent fees—something explicitly at odds with affordability goals and not sustainable for families.

Recognizing this inequity, Ontario chose to use provincial funding—primarily Wage Enhancement Grants (WEG), workforce compensation, and local priorities allocations—to support wage enhancements for RECEs and other program staff working with 6–12-year-olds.

This decision underscores a key point: regardless of age group, all licensed programs operate under the same provincial legislative framework—the Child Care and Early Years Act, 2014 (CCEYA). The province sets staff–child ratios, group sizes, design standards, and operational requirements for both early years and school-age care. It is the province that regulates the system and controls the funding levers.

In practice, educators working with both age groups now rely on a patchwork of funding streams:

- For 0–5, CWELCC's cost-based funding model and wage floor.
- For 6–12, Wage Enhancement Grants, workforce compensation, operating grants, and some municipal local priorities funding.

Yet a structural imbalance remains: school-age child care still depends heavily on parent fees, supplemented only partially by public funding. Meanwhile, CWELCC's funding is not designed or funded to meet the statutory requirements of the Pay Equity Act for either group. The structural imbalance perpetuates non-compliance across both tiers and deepens the systemic discrimination faced by child care employees.

5.5. A PUBLICLY FUNDED SYSTEM IN NAME, BUT NOT IN WAGES

With CWELCC, Ontario has effectively moved from a mixed model in which parent fees were the primary revenue source to one in which most operating revenue for 0–5 spaces comes from public funds. Parent fees are capped and, in many cases, reduced to $22 in 2025.

In other words, for children 0–5:

- Parent fees are no longer the main tool for covering operating costs and wages.
- The provincial funding formula is now the primary determinant of what centres can pay staff.

This shift could have been a historic opportunity to finally build pay-equity-compliant wages into the new funding structure. Instead, as Part VI shows, Ontario has chosen to:

- flat line its net ELCC expenditures, despite massive new federal investments;
- set wage floors and benchmark wages that fall far below pay-equity-compliant municipal comparators; and
- ignore the Pay Equity Act and human rights obligations in the design of its cost-based funding model.

The result is a "publicly funded" system that continues to embed low wages and treats pay equity as an afterthought, both for 0–5 programs under CWELCC and for 6–12 programs financed largely through fees and constrained grants.

5.6. CWELCC'S COST-BASED FUNDING AND THE WAGE GAP

Ontario's CWELCC cost-based funding model allocates benchmark amounts for:

- program staffing (including supervisors),
- accommodation, and
- operating costs,

with additional geographic adjustments and a growth multiplier. The Ministry's 2025 Technical Paper indicates that benchmark wages are derived from the 2023 Licensed Child Care Operations Survey, assuming existing wage enhancement grants and workforce compensation.

Crucially:

- The wage floors ($23.86 in 2024, $24.86 in 2025) and benchmark wages do not reference pay equity, the proxy comparison system, or the statutory municipal comparators under Regulation 396/93.
- There is no analysis of whether these wages comply with pay equity requirements.
- There is no requirement or funding to "top up" wages to municipal pay equity target rates.

As Part II and Part IV of the document indicate, pay-equity-compliant wages for RECEs in municipal centres range from roughly the mid-$30s to mid-$40s per hour, plus benefits and pension. By contrast, CWELCC's wage floors are in the mid-$20s, with limited enhancements and no guaranteed pension. (Ontario Ministry of Education, 2024)

For staff serving children 6–12, the situation is no better. Outside CWELCC, the Ministry is very prescriptive about:

- Wage Enhancement Grant (WEG) eligibility.
- Workforce compensation, and
- Wage floors that still fall short of municipal pay-equity rates.

Centres may, in theory, pay above these amounts—but without dedicated public funding, any additional wages would have to come from parent fees or fundraising. For many families and centres, this is simply not viable. Against the Ministry allocation of $1,724,633, the centre faces a deficit of about $37,602.

5.7. BUDGET EXAMPLE: A 49-SPACE CWELCC CENTRE IN TORONTO

The funding gap becomes starkly visible when we model a new 49-space CWELCC child care centre in Toronto (10 infants, 15 toddlers, 24 preschoolers) under Ontario's 2025 cost-based funding formula and then compare it to a pay-equity-compliant wage model using municipal comparators. (Ontario Ministry of Education, 2024)

The table below shows the Ministry's CWELCC Cost-Based Funding Estimator, with the total benchmark revenue allocation for this centre in 2025

On the expense side, if the centre pays pay-equity-compliant wages based on municipal comparators, with benefits at 23%, plus realistic accommodation and operating costs (including rent at $40/sq ft net for 5,000 sq ft), the budget looks like this (simplified):

- Total salaries (pay-equity-compliant wage grid): $1,035,177
- Benefits (23%): $238,091
- Total salaries + benefits: $1,273,268
- Replacement wages: $58,520
- Rent (5,000 sq ft × $40 net): $200,000
- Other operating costs (utilities, insurance, audit, food, supplies, equipment, PD, etc.): approx. $244,516
- 10% central administration charge: approx. $44,452

Total expenses: $1,762,235

See Appendix 7 for the complete child care budget

TABLE9: SAMPLE REVENUE FOR NEW 49-SPACE TORONTO CHILD CARE CENTRE

Taken from Ministry Of Education Cost-Based Estimator

Revenue Category from Ministry	$
Program Staffing	801,799.49
Supervisor	91,402.20
Accommodation	124,725.85
Operating (fixed and variable)	$283,824.45
Unadjusted Benchmark allocation	$1,301,751.99
Geographic adjustment factor	$91,122.64
Benchmark Allocation	$1,392,874.62
Growth multiplier (15%)	$208,931.19
Program Cost Allocation	$1,601,805.82
Profit/surplus - mark up approx. 8.7%	$122,827.36
Total Ministry allocation	**$1,724,633.18**

TABLE 10: SAMPLE WAGE GRID FOR NEW 49-SPACE TORONTO CHILD CARE CENTRE

At Pay Equity Compliant Wage Rates

Position	Program	Qualifications	Hrs/ pay	Salary Scale Level	No of pay periods	Hourly rate	# of positions	Wages for replacement staff	Total cost per position	Total salaries
Program Coordinator	Not included in ratio	RECE	75	Top of scale	26	$41.52	1	$4,180.00	$80,964.00	$80,964.00
Housekeeper/server	Not included in the ratio		75	Top of scale	26	$24.00	1	$4,180.00	$46,800.00	$46,800.00
Infant Educator	Infant	RECE	75	Top of scale	26	$38.37	3	$4,180.00	$74,821.50	$224,464.50
Infant Assistant	Infant	no quals	75	Top of scale	26	$30.39	1	$4,180.00	$59,260.50	$59,260.50
Toddler Educator	Toddler	RECE	75	Top of scale	26	$38.37	2	$4,180.00	$74,821.50	$149,643.00
Toddler Assistant	Toddler	no quals	75	Top of scale	26	$30.39	2	$4,180.00	$59,260.50	$118,521.00
Preschool Educator	Preschool	RECE	75	Top of scale	26	$38.37	2	$4,180.00	$74,821.50	$149,643.00
Preschool Assistant	Preschool	no quals	75	Top of scale	26	$30.39	2	$4,180.00	$59,260.50	$118,521.00
Floater			70		26	$24.00	2		$43,680.00	$87,360.00
							16			
							TOTAL			$1,035,177.00
							benefits at 23%			**$238,090.71**
							Total salary and benefits cost			**$1,273,267.71**
							Total wage replacement costs			**$58,520.00**

Against the Ministry allocation of $1,724,633, the centre faces a deficit of about $37,602.

More importantly, this budget exposes the structural wage gap within the Ministry's model.

The province effectively calculates "appropriate" program staff costs (including supervisor and benefits) at about $893,202. A pay-equity-compliant wage grid, by contrast, requires $1,273,268 in salaries and benefits.

That is a shortfall of $380,066, or approximately 30% of what is required to pay pay-equity-compliant wages and benefits in Toronto.

In other words, even before any surplus is set aside for repairs, equipment replacement, or unforeseen costs, the funding formula simply does not provide enough to meet pay equity obligations.

5.8. WHY THE "FLEXIBILITY" ARGUMENT FAILS

The Ministry may argue that:

- compensation is not fixed;
- centres may "flex" within categories; and
- Some of the "profit/surplus" or other allocations (e.g., accommodation or operating) could be repurposed to increase wages.

However, this logic quickly falls apart.

First, the profit/surplus line (about 8–9%) is already insufficient to close a 30% wage gap. Using it to partially fund wages would:

- still leave pay-equity-level wages unfunded, and
- eliminate the very cushion centres that are needed for repairs, replacements, and emergencies.

Second, suggesting that centres draw from accommodation allocations ignores the reality that commercial net rents in Toronto are at least $40/sq ft net for suitable child care space. Accommodation is already underfunded; many centres will only be viable because they have legacy low rent, donated space, or public premises—not because the funding formula is adequate.

Third, drawing additional wage funds from general operating allocations would further undermine quality, safety, and long-term sustainability.

In short, any "flexibility" is illusory. Centres that appear to "thrive" under the new formula do so because:

- they are not paying pay-equity-compliant wages, and/or
- they enjoy lower-than-market accommodation costs.

The CWELCC funding model, as currently designed, does not fund pay equity. The CWELCC funding model, as designed, is below the human rights floor.

5.9. LOCAL PRIORITIES FUNDING AND SCHOOL-AGE PROGRAMS

Outside CWELCC, the province flows additional funds to CMSMs/DSSABs through Local Priorities allocations, which must cover a wide range of needs, including:

- Wage Enhancement / Home Child Care Enhancement Grant (WEG/HCCEG)
- Workforce compensation (including for some 6–12 programs)
- Professional learning
- Small Water Works
- Territory Without Municipal Organization
- Flexibility funding (general operating, fee subsidy, special needs resourcing, capacity building)
- Pay Equity Memorandum of Settlement monies

The Ministry's guidelines are highly prescriptive regarding wages and workforce compensation, especially for programs serving children ages 6–12. For example, they direct that:

- The RECE wage floor of $24.86/hour in 2025 must be maintained for eligible RECEs and home child care visitors;
- Local Priorities funds may be used to top up wages to meet the wage floor; and
- Centres have limited flexibility to pay above these amounts, but without dedicated top-up funding, any additional wages must come from parent fees or fundraising.

At the same time, these allocations must also support: fee subsidies, special needs resources, quality initiatives, and, in the case of Pay Equity Memorandum of Settlement monies, historical obligations stemming from 1990s proxy plans. (Ontario Ministry of Education, 2025)

Providers must spend funds in strict accordance with provincial guidelines, and CMSMs/DSSABs must monitor compliance, file detailed reports to the province, and collect wage attestations from operators. While some flexibility exists within categories, there is no dedicated provincial envelope for ongoing pay equity for all child care employees (0–12).

For many programs, particularly those serving lower-income communities, there is no realistic way to raise wages to municipal pay-equity levels without new public funding. Parent fees and fundraising cannot substitute for a statutory human rights obligation. Pay equity compliance requires additional public funding.

Taken together, the evidence regarding the new transformation shows that:

- The federal government has significantly increased its ELCC expenditures and entrenched child care in law as a tool for gender equality.

- Ontario has accepted federal dollars and shifted to a publicly funded operating model for 0–5, while leaving 6–12 largely fee-based.
- The CWELCC funding formula and Local Priorities allocations do not fund pay-equity-compliant wages for child care employees, whether they work with 0–5 or 6–12-year-olds.

In effect, Ontario has transformed child care into a publicly funded system on paper, but not in practice for wages and human rights. The province's approach to funding acts as a structural barrier to achieving compensation free from systemic gender discrimination.

Child care employees—overwhelmingly women, often racialized, and increasingly professionally trained—remain the shock absorbers of the system. They are asked to staff a public program on a funding formula that embeds low wages and ignores pay equity laws.

The next section shows how this funding architecture functions as a barrier to equality under the Pay Equity Act, and why the provincial government's actual expenditures demonstrate a failure to fund pay-equity-compliant wages for all child care employees, including those serving children aged 6–12, is not just a policy failure—it is a human rights failure.

PART VI

THE PROVINCIAL GOVERNMENT'S LACK OF FUNDING AS BARRIER TO CHILD CARE EMPLOYEES' EQUALITY

6.1 ONTARIO'S ROLE AND RESPONSIBILITIES FOR THE 0–12 CHILD CARE SYSTEM

Under the Child Care and Early Years Act, 2014 (CCEYA), the Ontario government is responsible for the policy framework, regulation, licensing and funding of child care and early years programs for children from birth to age 12. This includes both:

- programs serving children 0–5 (some of which are enrolled in CWELCC), and
- school-age programs for children 6–12, which are not covered by CWELCC but are still licensed under CCEYA and subject to provincial rules and funding decisions. (CCEYA, 2014)

With the rollout of the CWELCC system in 2022, Ontario assumed heightened responsibilities for the 0–5 sector: bringing down parent fees, expanding licensed spaces, and stabilizing the workforce. Between 2022 and 2025, the province introduced fee reductions and set a wage floor—beginning at $18 per hour in 2022 and increasing to $23.86 in 2023 following sector pressure. At the same time, annual operating funding growth lagged inflation, leaving many services in deficit by late 2023. The Ministry promised a new cost-based funding formula, which finally came into effect on January 1, 2025.

However, the province's funding and policy choices affect all licensed child care for children 0–12, not just CWELCC programs. While school-age (6–12) programs are not part of CWELCC and therefore must rely more heavily on parent fees, they remain bound by provincial regulations on staffing, group sizes, physical space, and program delivery. The same structural problem applies across the system: the province has not aligned its funding levels or policies with its obligations under the Pay Equity Act.

6.2. PAY EQUITY OBLIGATIONS AND THE ESTABLISHED PROXY COMPARATOR

The child care sector's current wage crisis sits on top of a long history of systemic undervaluation of women's work. The Pay Equity Act continues to apply to:

- CWELCC-enrolled centres and home child care agencies, and
- non-CWELCC licensed programs, including school-age programs for children 6–12.

Under the proxy comparison method for child care centres, the municipal child care employees are the appropriate comparators for workers in community-based child care centres. That comparator remains in force today.[11]

Publicly available municipal collective agreements show that municipal RECE wages are far above Ontario's wage floor of $24.86 in 2025. For example:

- Top RECE rates range from about $34.61 in Niagara to $45.21 in Durham;
- Starting rates range from about $28.09 in Thunder Bay to $40.89 in Durham.

Even the lowest municipal rate exceeds the provincial floor by more than $3 per hour. These figures do not include benefits and pensions, which must be included in pay equity's "total compensation" assessment. The contrast is even starker when support staff, such as cooks, cleaners, and housekeepers, are considered, as they are often paid at or just above minimum wage in community-based centres. Appendix 5 sets out examples of municipal wage structures for municipal child care employees.

As set out in Part II above, the Ministry of Education collects wage and staffing data annually for both CWELCC and non-CWELCC spaces, including school-age programs. As demonstrated in Part V with the examination of an actual budget for a child care centre, the Ministry has not structured its funding policies to support the establishment or maintenance of pay equity across the system.

The province has long been advised to restructure its funding policies. Ontario's own 2007 Expert Panel on Quality and Human Resources, chaired by Prof. Donna Lero, recommended that government funding:

- reflect the real costs of providing quality programs;
- include wages and benefits that recognize responsibilities and education;
- provide ongoing funding for pay equity adjustments; and
- include predictable annual increases to address inflation.

11 See collective agreements from a range of municipal child care centres in Appendix 4.

The Panel also recommended that municipalities, in their role as service managers, use municipal wage scales as benchmarks and "apply the principles of pay equity" when setting wages for community-based programs. In other words, funding should be designed to operationalize the proxy-comparison method and to avoid gender discrimination. (Best Start Expert Panel on Quality and Human Resources, 2007)

Yet, nearly two decades later, neither CWELCC funding nor funding for non-CWELCC and school-age programs has been designed to implement these recommendations. Provincial underfunding and the failure to maintain pay equity have left child care workers consistently behind their male comparators and behind women in other fully publicly funded sectors.

6.3. IS ONTARIO CONTRIBUTING ITS FAIR SHARE TO THE CHILD CARE SYSTEM?

Ontario's path toward a universal system has been constrained by flat or inadequate provincial funding and by a failure to account for actual workforce costs, including pay equity obligations.

The Financial Accountability Office warned in 2022 that fee reductions would dramatically increase demand for spaces: "Ontario will require approximately 322,000 additional child care spaces by 2026," far beyond Ontario's target of 86,000 new CWELCC spaces by 2026. (Financial Accountability Office of Ontario, 2022)

The Auditor-General (2025) subsequently found that:

- The province had met only 75% of its space creation target.
- The number of low-income families accessing subsidies had fallen by about 31%, and
- There was a $1.95-billion funding shortfall, equivalent to about $20 per day per funded space. (Ontario Auditor-General, 2025)

None of these official analyses asked whether compensation in either CWELCC or non-CWELCC programs was pay equity-compliant, or whether provincial funding was adequate to maintain pay equity across the 0–12 system.

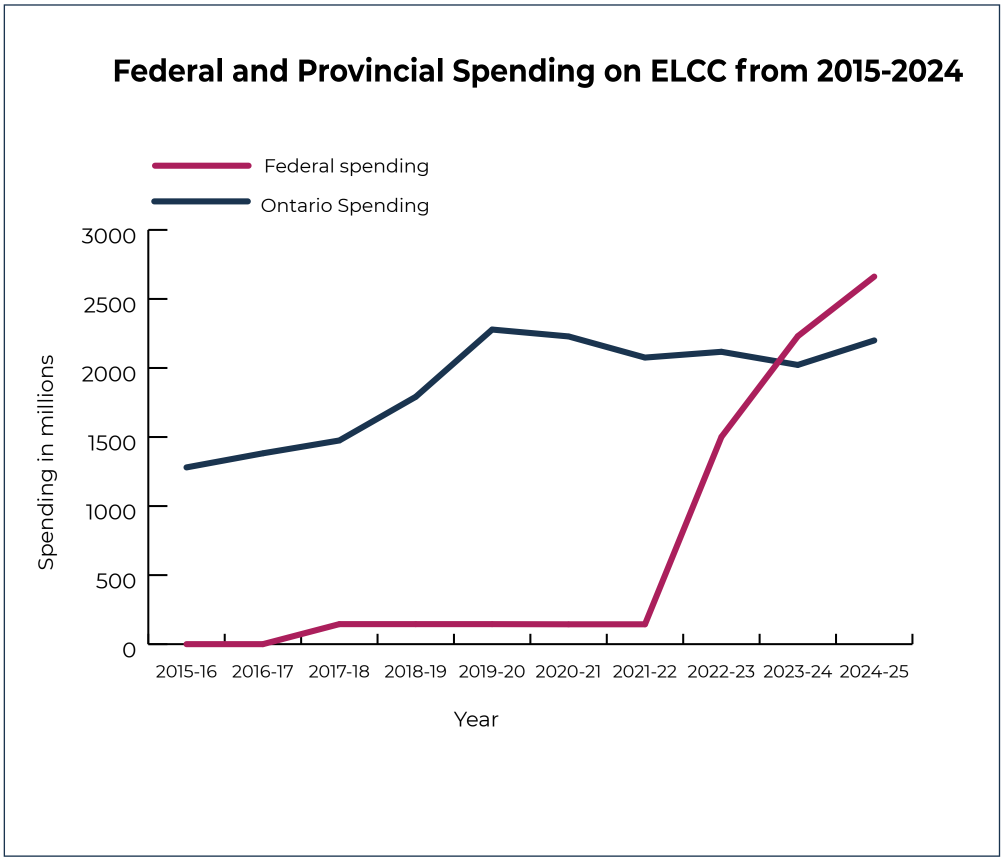
Municipal reporting suggests that Ontario is not an equal partner in financing child care. In Toronto, for example, the city's service plan estimates the distribution of child care funding as approximately:

- 49% federal;
- 26% provincial;
- 5% municipal;
- 20% family contributions.
- (City of Toronto, 2025)

This is inconsistent with the Canada–Ontario CWELCC Agreement, which envisages the federal and provincial governments as roughly equal funding partners.

A review of Ontario Public Accounts and Ministry data shows that provincial child care expenditures have largely been flat-lining in real terms, even as federal funding surged:

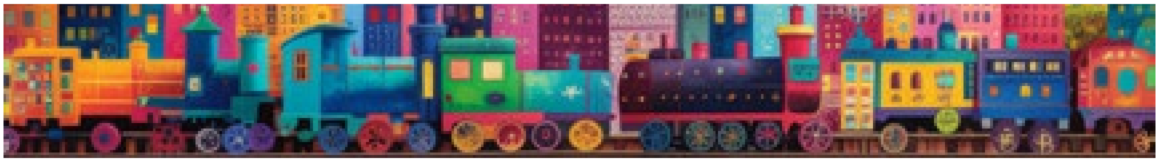
- The federal share of total ELCC expenditures rose from about 6.5% in 2020–21 to roughly 55% in 2024–25.
- Over the same period, Ontario's net contribution fluctuated modestly, including years in which the province reduced its child care spending.



For a more detailed breakdown of expenditures, please see the table "Federal And Provincial Contributions To The Cost Of Child Care In Ontario, 2015-16 To 2023-24.

- Once the Childcare Access and Relief from Expenses (CARE) tax credit is accounted for, total provincial ELCC expenditures have increased by only about $69 million since the previous government left office. (Please see Appendix 6 for full details of annual public expenditures on ELCC from 2015 to 2025).

In other words, despite rapid growth in demand, the need for more spaces, and the urgency of addressing low wages, Ontario's direct investments into the 0–12 child



6.4. PROVINCIAL CONTROL LEAVES CENTRES UNABLE TO FUND PAY EQUITY

care system have essentially been flatlining. This funding pattern is incompatible with maintaining pay equity and undermines both CWELCC and non-CWELCC/school-age programs.

Ontario sometimes claims that individual operators are responsible for wage levels, working conditions, and maintaining pay equity, and that they have the flexibility to pay above provincial minimums. This argument ignores the reality of provincial control and and the actual provincial funding.

6.4.1 A Highly Regulated, Publicly Controlled System

Through CCEYA and its regulations, Ontario exercises extensive control over all licensed programs serving children 0–12, including those in CWELCC. This includes:

- mandatory licensing and compliance inspections, with powers to refuse, renew, or revoke licences;
- restrictions on who may provide child care (including criminal record and professional misconduct provisions);
- prescribed staffing ratios, maximum group sizes, and mixed-age grouping rules;
- qualification requirements for directors, supervisors, RECEs and other staff;
- regulation of hours of operation through staffing requirements and ratios;
- detailed requirements for physical spaces: minimum square footage, window glass, location of rooms, designated spaces for play, eating, toileting, storage, office, staff rest areas and outdoor play;
- approval requirements for new builds, renovations and relocations;
- reporting and accountability obligations for CMSMs/DSSABs; and
- a requirement that service system managers not enroll a centre in CWELCC if it is not, or will not be, financially viable.

CWELCC amplifies this control for 0–5 spaces. Parent fees are capped, and base fees are regulated. If a centre charges above the regulated base fee without Ministerial authorization, it must provide refunds and risks penalties. While school-age (6–12) programs are outside CWELCC and rely more heavily on parent fees, they remain bound by the same licensing, staffing and space requirements and are increasingly affected by the same funding pressures and workforce shortages. (O. Reg. 137/15)

6.4.2 Province’s lack of funding means no viable revenue to achieve pay equity.

For both CWELCC and non-CWELCC programs, including school-age:

- Raising parent fees is politically and economically untenable and, in the case of CWELCC, is explicitly prohibited by regulation and violates CWELCC's principles.

- Reducing staff is impossible without violating provincial ratios and safety requirements.

- Fundraising and charitable donations cannot realistically cover structural wage gaps.

- Diverting general wage increases to finance pay equity adjustments simply pushes workers further behind men working in male-dominated comparators.

In this context, pay equity maintenance is structurally and functionally impossible without dedicated funding from the province. The combination of tight provincial control and constrained revenue means that the province's funding choices are the determining factor in whether wages can be pay-equity compliant.

6.4.3 Pay Equity is a quasi-constitutional right.

The Pay Equity Act is a quasi-constitutional human rights statute. The Pay Equity Hearings Tribunal has repeatedly held that:

- financial constraints and "inability to pay" are not valid defences for failing to implement or maintain pay equity;

- employers must maintain non-discriminatory compensation once the pay equity target rate is achieved.

In many broader public-sector settings—such as hospitals, school boards, and the Ontario Public Service—the province has funded pay equity obligations, enabling women to benefit from job-to-job and proportional value methods using male comparators within their workplaces.

By contrast, women working in community-based child care centres and home child care agencies have been left out. The original Pay Equity Memorandum of Settlement funds covered some of the costs of establishing pay equity in the 1990s. The province has not funded the maintenance of pay equity, even as inflation, comparator wages and program expectations have risen.

6.5 A FUNDING FORMULA THAT SYSTEMATICALLY EXCLUDES PAY EQUITY

Treating pay equity adjustments as if they were just another discretionary payroll expense ignores their status as human rights remedies for systemic gender discrimination.

While the numbers reveal the story, the Ministry's own provincial funding framework and guidelines documents reinforce this discrimination. A close reading of the 2024 CWELCC Cost-Based Funding Guidelines and the 2025 Technical Paper shows that:

- There is no reference to the Pay Equity Act, Regulation 396/93, the proxy comparator, or pay equity maintenance obligations.
- The CWELCC wage floors ($23.86 in 2024 and $24.86 in 2025) are not linked to any pay equity analysis or to municipal comparator wages.
- For non-CWELCC spaces and school-age programs, the province uses a comparator that is not compliant with the Pay Equity Act. The Wage Enhancement Grant (WEG) policy explicitly ties its ceiling to RECE wages in the school board sector, rather than to municipal child care wages—the legally prescribed comparator. As Minister Stephen Lecce stated, "It will help create wage parity with early childhood educators working in kindergarten classrooms," referring to the new $23.86/hour wage floor for ECEs in licensed child care. (Jones, 2023)
- There is no indication that the school board wage grid used for WEG is itself pay-equity compliant.
- Base wage assumptions (including WEG and Workforce Compensation increases) do not account for the need to establish or maintain pay equity.
- Funding does not address very low wages for non-RECE and support staff, who are essential to program quality and health and safety.

While the province acknowledges the continuation of Pay Equity Memorandum of Settlement monies (as noted, now under "Local Priorities Funding"), it treats them as a closed historical commitment rather than a foundation for ongoing maintenance. There is no recognition that pay equity must be updated and maintained over time for all child care employees across the 0–12 system.

The result is a funding architecture that bakes in discriminatory wages. It treats

child care as a low-wage sector, contrary to both the Pay Equity Act and the stated goals of the Canada-wide child care system to advance gender equality and build a stable workforce.

6.6. RESULT: A SYSTEMIC BARRIER TO EQUALITY FOR CHILD CARE WORKERS

Taken together, Ontario's:

- long-standing underfunding and more recent flatlining of expenditures;
- failure to design funding that supports pay equity establishment and maintenance;
- heavy regulatory control over all licensed child care for 0–12; and
- explicit exclusion of pay equity considerations from the CWELCC funding formula and non-CWELCC policies,

means that child care workers—across both CWELCC and non-CWELCC programs, including school-age—are systematically denied their right to compensation free of gender discrimination.

If these workers were employed in municipalities, hospitals, or other parts of the broader public sector, they would have access to properly funded pay equity mechanisms. Instead, the same government that funds pay equity in those sectors has designed and maintained a child care funding system that makes pay equity practically unattainable.

PART VII

CONCLUSIONS AND RECOMMENDATIONS

The provincial government's funding choices are therefore not neutral. They constitute a barrier to equality, perpetuating systemic gender discrimination in wages for some of the lowest-paid women in Ontario's publicly funded services.

Ontario now faces a profound opportunity to correct a long-standing and deeply rooted gender injustice. As the province enters negotiations for Phase II of the Canada-wide Early Learning and Child Care (CWELCC) system, it must choose whether to continue perpetuating wage discrimination or to finally honour its own Pay Equity Act and human rights obligations.

The choice is stark.

The provincial government may continue to undervalue child care employees—most of whom are women—and maintain a funding model that ignores pay equity, suppresses wages, and embeds systemic discrimination into the structure of the 0–12 child care system.

Or the province can choose a different path: one that aligns Ontario's child care system with the goals of gender equality, decent work, and workforce stability set out in the Canada-wide ELCC initiative. Achieving this vision requires fully confronting the reality that pay equity has never been funded or sustained for child care workers, whether they serve children 0–5 in CWELCC spaces or children 6–12 in non-CWELCC programs.

Under the current provincial funding model, child care employees remain trapped by the province's refusal to fund pay-equity-compliant wages. For decades, the provincial government has knowingly underfunded the sector, creating the conditions in which low wages persist and discrimination flourishes. The result is a system that relies on the undervalued labour of women while denying them the compensation required under law.

PAY-EQUITY-COMPLIANT WAGES…MUST NOW BE TREATED AS A PRIORITY. CHILD CARE WORKERS HAVE ENDURED DECADES OF WAGE SUPPRESSION. THE TIME FOR ACTION IS NOW.

Pay-equity-compliant wages—based on the prescribed comparator of municipal child care employees—must now be treated as a priority.

Child care workers have endured decades of wage suppression. The time for action is now.

RECOMMENDATIONS OF THE CHILD CARE PAY EQUITY WORKING GROUP

To uphold the Pay Equity Act, eliminate systemic discrimination, and stabilize Ontario's child care workforce, the Working Group recommends that the Province of Ontario:

1. **Fully fund pay-equity-compliant compensation immediately.**
   Adjust provincial funding guidelines to ensure that the historic and ongoing wage gap owed to all child care employees is closed, and that pay-equity-compliant compensation is fully funded across the 0–12 child care system.

2. **Increase compensation for all child care employees following a pay equity analysis.**
   Immediately raise wages for all child care employees to eliminate the gap between their current compensation and that of their legally required comparator—municipal child care employees performing work of comparable value.

3. **Implement a fully funded, pay-equity-compliant wage grid.**
   Establish and fund a province-wide wage grid for all child care employees, including RECEs, program staff, and support staff, with annual seniority-based progression to support retention and workforce stability.

4. **Revise Funding Guidelines to support pay equity compliance and maintenance**.
   Ensure that funding guidelines for all programs serving children 0–12 (CWELCC and non-CWELCC) include explicit authority for operators to implement and maintain pay-equity-compliant compensation. Requests from operators for pay-equity-compliant funding must not be denied.

5. **Provide sector-wide education on pay equity.**
   Direct the Ontario Pay Equity Commissioner to deliver educational sessions for child care operators, CMSMs/DSSABs, and sector organizations to ensure full compliance with the Pay Equity Act, including ongoing maintenance obligations.

By taking these actions, the Province of Ontario can ensure that the work of child care employees is finally recognized, fully valued, and justly compensated. Such action would relieve child care workers of

APPENDIX 1

THE TECHNICAL DETAILS: ESTABLISHING PAY EQUITY USING THE PROXY COMPARISON SYSTEM

the systemic discrimination they have carried for decades while caring for and educating Ontario's young children. It would also create the foundation for a stable, equitable child care workforce essential to the success of a high-quality, accessible early learning and child care system across the province.

Under the proxy comparison system, employers were required to develop a pay equity analysis for their workplaces. The analysis is summarized in a pay equity plan. The plan shows how the proxy comparison system was applied to the child care centre, the steps to establish the pay equity target rate and the pay equity adjustments owed to the child care employees.

In general terms, a pay equity plan is developed through five basic steps, regardless of the comparison system used. follows. The proxy comparison system includes additional steps, which we outline in Section 2 below. If the employees are unionized, the pay equity plan is negotiated with the union for employees in the bargaining unit. A separate plan is required for all non-union staff.

As a note, this summary of the technical steps is outlined for educational purposes in order to advance knowledge of pay equity in the sector. Please review the Pay Equity Act and the Pay Equity Commission's Guide to the Proxy Comparison Method for greater detail (The Pay Equity Act, R.S.O 1990). [1]

Step 1: Job classes

The first step is to identify jobs with similar duties and responsibilities. In child care centres, a sample of the typical job classes includes: the "director/supervisor", "assistant supervisor", "registered early childhood educator" (sometimes called a teacher), and "unqualified educational assistant". Depending on the size and philosophy of the centre, other job classes may include "pedagogical lead/resource teacher/lead", "housekeeper/server", "cook", and "administrative assistant". In larger centres, there are also Executive Directors/CEOs.

Step 2: Gender predominance

Identify the gender predominance for each job class. To be a male-dominated job class, 70% of the incumbents' employees working in the job class must be men. To be a female-dominated job class, 60% of the incumbents must be women. Three factors are relied upon to identify whether a job class is female or male: current incumbents, historical incumbents, and gender stereotyping.

1 Pay Equity Act, RSO 1990, c P.7, <https://canlii.ca/t/569vv> Proxy Method of Comparison, O Reg 396/93, <https://canlii.ca/t/55fzn> The Guide to the Proxy Comparison Method will be posted on the website of B2C2 at https://b2c2.ca/wp-content/uploads/2025/11/A-Guide-to-the-Proxy-Comparison-Method-4861-1727-1057-1-002.pdf

It is long recognized that “virtually all child care employees are female.” However, consideration must be given to whether there are any male comparators in the establishment. For example, if your child care is part of a multi-service agency, then there may be male comparators in your establishment.

Step 3: Valuing work

The gender-neutral job evaluation system or tool. The third step involves valuing the work of the job classes. The purpose of this evaluation is to determine the relative value of each position so that jobs of equal value may be identified. (The Pay Equity Act, R.S.O. 1990, p.7) (“gender neutral comparison system”, Section 12 and Section 21.15(3)

The Act requires measuring the value of all jobs by considering four main factors: the skill, effort, responsibilities, and working conditions of the job. The Act requires that the measurement of the value of the job must be done in a gender-neutral manner that does not overlook key features of women’s work. Importantly, the evaluation is about the work, not its market value or the person in the position.

The job evaluation system or tool examines key elements or characteristics of a job to determine the value the job has to the organization (e.g., communication skills or the physical effort required to lift a 12kg child). A value, expressed in points, is assigned to each predominantly female and predominantly male job class.

If a child care centre does not have a gender-neutral job evaluation tool to measure the various aspects of a job and its value, one must be created and applied to assess the value of job classes.

A few considerations are:

- Most job evaluation systems or tools use a point-factor approach.
- Most use more precise and additional “sub-factors” to so that key characteristics of a job may be fairly identified, reviewed and evaluated. The process of evaluating a job involves assigning points to the sub-factors and summing them to obtain a “score” for the job class.
- It is important to gather enough information to understand the different types of work performed across job classes. Sometimes a general job title does not accurately describe all the duties and responsibilities. For example, a job may need to be divided into a junior role and a senior position.
- Usually, a pay equity committee or an employer will require employees to complete a questionnaire about their job. Other information-gathering techniques include reviewing historical job postings, job descriptions, scope-of-practice documents for regulated jobs, job interviews, and desk audits.
- In 1994, the Ontario Coalition for Better Child Care identified that the following subfactors were important to help fully value the work of child care workers at non-profit centres:

- The Skill factor valued jobs classes based on 4 subfactors: knowledge, experience, problem-solving and caring skills.
- Effort was valued based on mental and physical effort.
- The Responsibility factor examined on 4 subfactors: leadership, financial, information, and material responsibilities.
- Working conditions were evaluated by a general environment subfactor.

Step 4: Total compensation

The Pay Equity Act requires a comparison of compensation across job classes. The Act requires that the highest compensation for each job class be used in the comparison. This figure is called a "job rate" and is usually expressed in dollars per hour. Total compensation includes all wages, benefits, pension benefits and other monetary benefits. Once each job class is "evaluated" and assigned a point score, the total compensation for each job class is determined. Consider all elements of pay, including the value of any extended benefits and pension plan.

Step 5: Comparison of female-dominated job classes with male-dominated job classes

The final stage is comparing the male-dominated job rate to the female-dominated job rate for each female job class of equal value. The value of the female-dominated jobs and the male-dominated jobs, based on the point scores from the job evaluation tool.

There are three comparison methods: job-to-job, proportional value, and proxy comparison[2] (The Pay Equity Act, R.S.O. 1990, p.7). Pay equity is achieved in a workplace where every female job class is compared to a male job class using one of the 3 comparison methods:

- Under the job-to-job comparison system, employers must look for male comparators for every female job class.
- If there are female job classes that lack an equal or comparable male comparator, the employer must use the proportional value method to achieve pay equity for these unmatched female jobs.

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2 See s. 5.1(1) of the Pay Equity Act R.S.O. 1990, c. P.7 which prescribes three types of value-compensation comparison systems between female-dominated job classes and male-dominated job classes: the job-to-job comparison system, the proportional value comparison system and the proxy comparison system found in Part III.2 of the Act.

- The proxy comparison system, which applies to the majority of child care centres, is described in further detail below.

Where job classes are of "equal value", the job rate should be the same. Where the female-dominated job rate is lower, it must be raised to equal the male job rate.

Pay Equity adjustments

The increase in the compensation of female-dominated job classes to match the compensation of male-dominated job classes of equal value is called a "pay equity adjustment". The pay equity adjustment is a human rights remedy to redress systemic gender pay discrimination. The key point is that the male job class job rate serves as the target pay equity rate and the benchmark against which the female job rate is compared. Pay equity adjustments were required to be paid out to employees annually, with at least a 1% per-year increase. Under the Act, if an employer used either the job-to-job or proportional comparison systems, the adjustments were completed by 1998. However, for the proxy comparison system, the Act did not prescribe a deadline.

Implementing the proxy method to establish pay equity.

The proxy method is quite technical, based upon specific steps outlined in the Act and Regulation 396/93.

This brief, plain-language overview provides basic information about the proxy comparison system. It is important to refer to the Act's specific proxy provisions for guidance.[3] We attach two charts to demonstrate the difference between the job-to-job comparison system and the proxy comparison system.

To start, under the Act, a female-dominated organization, such as a child care centre, which likely does not have enough male comparators for all female job classes, is called a "seeking employer".

The prescribed comparator organization is called the "proxy employer". (For example, a municipality operating a child care centre could be a "proxy employer".) We refer to a child care centre rather than "a seeking employer" strictly for educational purposes.

A child care centre cannot simply decide to use the proxy comparison system.

3 The proxy section of the Pay Equity Act may be found here: https://www.olrb.gov.on.ca/pec/PEHT/Proxfory-EN.asp, Proxy Method of Comparison, O Reg 396/93, <https://canlii.ca/t/55fzn>

Rather, the Act requires the Pay Equity Offices' Review Services enforcement officers to make an order declaring an employer to be a "seeking employer" on two conditions:

(i) the employer was a public sector employer as defined by the Act; and

(ii) "there is a female job class within the employer's establishment that cannot be compared to a male job class within the establishment".[89] The Pay Equity office issues this order.

The proxy comparison method applies to all female job classes in the seeking employer's workplace, such as the child care centre. Even if a female job class could find a male comparator within the workplace and applied the job-to-job or proportional value comparison methods to a few jobs, if other female job classes could not find a male comparator, the proxy method would apply to all job classes in the seeking establishment.

The proxy comparison method identifies the pay equity target rate. The pay equity target rate is the hourly rate against which child care employees' compensation is compared to ensure pay equity. The pay equity target rate is calculated using the compensation rate for the proxy comparator (i.e., similar municipal workers' job rates) after the child care centre's job evaluation process is applied to the municipality's job information. This creates a compensation/value relationship: the points to it.

The pay equity target rate is tracked year over year and adjusted upward by any general wage increases received by child care employees to help them achieve pay equity.

The additional steps for a child care centre to follow to establish a pay equity-compliant job rate using the proxy comparison system are as follows.

1. **Identify the key female job classes.** The child care centre must identify at least one female job class in its establishment as the key female job class. The child care centre may use more than one female job class in the establishment whose duties are essential to the delivery of the employer's service. In practice, child care centres often identify more than one key female job class, such as the RECE.

2. **Evaluate the work of the job classes at the child care centre**. The starting point is to ensure that employees' work at the child care centre is evaluated. Applying the gender-neutral comparison system, evaluate and determine the value of the work performed by the key female job classes. The key female job class will be assigned points to reflect the job's value.

3. **Select your proxy organization and request information**. The child care centre

identifies and selects the proxy comparator—the municipality operating a day care centre geographically closest to the child care centre. The selection of the proxy employer is governed by O. Reg. 396/93. The proxy establishments are those with jobs similar to the child care centres' job classes and located in the same geographic division as the child care centres. Where a proxy organization does not exist, an establishment whose principal administrative officers are located the shortest distance from the child care centre is selected.

- As noted above, the proxy process is intended to enable a comparison of similar jobs between the child care centre and the municipality.
- The municipality is the identified comparator because many local governments provide child care.
- The child care centre requests and borrows information about the duties and responsibilities of each female job class from the potential proxy comparator, the municipality, whose duties and responsibilities are similar to those of the key female job class of the child care centre.
- If the local municipality does not have child care facilities, the municipality is to provide information on the pay equity job rates that are representative of the range of job classes and pay equity job rates in the potential proxy establishment.
- Many municipalities have job classifications for various child care employees or jobs similar to those of child care employees. Most importantly, child care jobs, or similar jobs, at a municipality have access to pay equity. Their job rates will have been compared to a male comparator within the municipalities using either the job-to-job comparison system or the proportional value comparison system.
- Under the proxy system, the proxy female job classes from the municipality are treated as male job classes. They are like jobs for those in child care centres, with pay equity-compliant rates.
- In addition, the child care centre borrows the pay equity job rate for each female job class from the proxy municipality. The job rate from the municipality must comply with pay equity requirements. It is this pay equity compensation rate which will be used for comparison purposes.

4. **Evaluate female job classes from the proxy organization.** The child care centre then applies its own gender-neutral evaluation system to determine the value of work for the female job class borrowed from the proxy establishment, based on information, such as position descriptions, provided by the proxy establishment. The borrowed job classes will be assigned a value and number of points based on the child care centres' evaluation tool.

5. **Calculate the total compensation job rate for the proxy comparator organization and the child care centre.** Job rate includes salary, wages, and other payments plus the cost of benefits.

6. **Comparing the child care centre value and job rates to the municipal jobs' value and job rates.** After the job values and job rates for each female job class in both organizations are established, the next step is to compare the job values and job rates for the child care centre's female job classes with those in the proxy organization. At this stage, the Act requires the use of the proportional value comparison method. Most use a job-line method based on regression analysis. The pay equity target rates are established when the relationship between the value of the work performed and the compensation received is the same for the job classes borrowed from the proxy organization and those in the child care centre.

   - As noted, the female job class from the municipality, serving as the proxy comparator, is being treated as a male job class in the seeking employer's establishment.
   - The actual pay rate identified for the job classes on the wage line from the proxy employer is the target pay equity rate. This target pay equity rate is the rate that is used to monitor whether pay equity is achieved.

7. **Determine pay equity adjustments for child care centre female job classes.** Establishing pay equity requires the child care centre to adjust the compensation of the key female job class(es) so that the same compensation/value relationship exists for the key female job class as for the proxy municipal female job class. This figure is the pay equity target rate.

   - The pay equity gap is established based on the difference between the job rate of the proxy wage line and the job rate of the female job classes in the seeking employer.
   - Pay equity is then said to have been achieved when the job rates are equalized.
   - The pay equity target rate is the job rate that the child care centre's job classes are required to be paid.

8. **Pay equity adjustments.**

The Act requires employers to make "pay equity adjustments" for female job classes at the seeking employer who are not paid at the pay equity target rate. These adjustments must be made to the job rates of female job classes annually.

9. Ensure the identified Pay Equity Target Rate is adjusted as pay equity is achieved.
The pay gap is closed using only pay equity adjustments. Pay equity adjustments are remedies for systemic pay discrimination. Increases paid for reasons other than pay equity cannot be used to narrow the pay equity gap identified using the proxy comparison method. For example, annual increments cannot be used to close the pay equity gap.

- The Act requires that any across-the-board general wage increase, or collective bargaining increase provided by the child care centre to its employees, is added to the pay equity target rate.

- Year over year, it is important to track three separate elements of the compensation structure:

  (i) pay equity adjustments;

  (ii) the general wage increases, and

  (iii) the pay equity target rate adjusted and increased to reflect the non-pay equity increases. The provincial wage enhancements granted to some child care employees are not used to narrow the pay equity gap, as these are not pay equity adjustments.

The Act requires employers to make annual "pay equity adjustments" for female job classes at the child care centre that are not paid the pay equity target rate. The adjustments are to be based on at least 1% of the previous year's payroll. The adjustments are made until the female job classes in the seeking employer achieve the pay equity target rate. The pay equity adjustments continue and accumulate annually. Employers are required to apply 1% of payroll each year.

For organizations that existed in 1994, Proxy adjustments began January 1, 1994, and continue every year until pay equity is achieved.

Other organizations are required to open their child care centres in a pay equity-compliant manner.

The results of the proxy comparison methodology and the resulting compensation increases are outlined in the Pay Equity Plan. The pay equity plan should be posted in the child care centre. The pay equity plan should also be made available to any child care employee who requests a copy.

In 1993, the Pay Equity Commission produced an excellent guide to implementing the proxy

APPENDIX 2

CASE STUDY #1 THE PAY EQUITY RATE IS ESTABLISHED, BUT NOT YET ACHIEVED

comparison method.

The Guide to the Proxy Comparison Method will be posted on the website of B2C2 at https://b2c2.ca/wp-content/uploads/2025/11/A-Guide-to-the-Proxy-Comparison-Method-4861-1727-1057-1-002.pdf

The first case study involves a non-profit childcare provider ("Provider A") that offers services at child care centres and through licensed home care. Provider A employs over 100 staff. Provider A is not unionized. Provider A is a successor employer to a former childcare provider in the area.

Provider A's pay equity plan relies upon the proxy comparison system. Provider A's predecessor was declared a seeking employer by the Pay Equity Commission in 1995 for the purpose of accessing the proxy comparison system. The nearest local municipal government was selected as the appropriate proxy comparator as required by The Pay Equity Act's Regulation 396/93. The nearest municipal government directly operated a child care centre.

Provider A, as a "deemed purchaser", took over the original pay equity plan. The Pay Equity Act requires the purchaser of a former childcare provider to continue making any pay equity compensation adjustments required by the original plan and to pay them on the date outlined in the plan.

Provider A's pay equity plan requires, at a minimum, that 1% of total payroll is paid out annually as pay equity adjustments to the female job classes. In some years, Provider A has made pay equity adjustments exceeding the required 1% minimum. Such action has significantly helped the employees' hourly pay rate move closer to the required proxy target pay equity rate.

1. Female job classes in the plan

The posted pay equity plan details that key female job classes were selected to find similar female job classes in the municipality. Such job classes included, but were not limited to, the Executive Director, Centre Supervisor, Program staff ECE, Cook, Secretary, Quality Service Manager and the Finance Manager. There are approximately fourteen female job classes at Provider A.

2. Valuing the work of the female job classes

Provider A rated all the job classes at the agency using a gender-neutral job evaluation tool, considering the required four broad factors: skill, effort, responsibility and working conditions. The job evaluation tool fine-tuned the broader categories to ensure all work elements were fully valued. Ten sub-factors were used to assess the value of the staff's work.

The subfactors under the Skill factor were knowledge, experience, problem-solving and caring. Effort was valued based on mental effort and physical effort. The Responsibility factor examined leadership, financial, information and material. Working conditions were evaluated by a general environment subfactor.

The point factor tool enabled a value, expressed in points, to be applied to each job class. The points for each female job class ranged from 711 to 959, with the Executive Director at 959.

3. Receiving information from the local municipality – borrowing a pay equity compliant job information

In 1994, Provider A requested and received information from the local municipality. A female job class, either a child care job class or a similar job class, was used or borrowed because it had already achieved pay equity relative to a male job class within the proxy employer's establishment.

The information, as required by the Act, included position descriptions similar to the provider's job classes, information about the nature of the work, the duties, responsibilities and hours of work. The municipality identified four relevant job classes and provided the hourly rate of pay for 1994:

- the Day Care Supervisor = $30.79
- Teacher 2 (an ECE in the day care) = $23.85
- a Public Health Visitor = $23.85
- Program Manager = $33.43

Each of these municipal job classes was considered a likely close match to the key female job classes of Provider A. The cost of benefits was estimated to be approximately 21.97% in addition to the hourly job rate. The municipality confirmed that the job rates for municipal female job classes were pay equity-compliant.

4. Valuing the municipal job classes using the Provider A tool

With this information, Provider A rated and valued the female municipal job classes using its own job evaluation tool to determine the points or value of each job class. The points for the four job classes ranged from 806 to 890. For example, the municipality ECE's position was rated with 806 points. Provider A's ECE position was rated with 827 points.

5. Comparing compensation and wage lines

The hourly compensation rates and the value for each job class were plotted onto a regression analysis (i.e. an Excel system) to create two wage lines: one with the municipal wage/value relationship and the second with the wage line for the provider (Pay Equity Commission, 1993).

6. Pay Equity adjustments owed

TABLE 11: PAY EQUITY ADJUSTMENTS AND PAY EQUITY TARGET RATES

Provider A's Female Job Class	Total Pay Equity Adjustment owed in 1994	Pay Equity Target Rate 1994
Executive Director	**$8.28 per hour**	$39.00
Program Staff E.C.E	**$13.40**	$27.55
Centre Supervisor	**$16.48**	$34.20
Cook	**$11.64**	$21.40

The required pay equity adjustments were calculated by examining the differences in pay for each provider's job class at the same level as the municipal job classes. The results showed significant pay equity adjustments were owed for each female job class. This comparison demonstrated the necessary adjustments to ensure pay equity was established, and here are examples:

The initial pay equity adjustment included a 3% wage increase, which was then subtracted from the total pay equity adjustment. Subsequently, the provider allocated 1% of total payroll or approximately $0.13 or $0.14 per hour per year, as pay equity adjustments. In later years, the annual pay equity adjustments increased to $0.24 or $0.25 per hour. These adjustments were added to the base wage. The adjustments continue year over year until the full pay equity adjustment is paid to employees.

7. Pay equity adjustments are human rights remedies and separate from COLA or general wage increases.

The Act makes specific provisions to separate pay equity adjustments from general wage increases or cost-of-living increases (COLA).

For example, when the job rate of a job class is increased by a fixed dollar amount and not for pay equity, the pay gap would narrow unless the pay equity job rate is also adjusted. If a job class received a COLA or general wage increase of $.50 per hour, the pay equity target rate and pay equity adjustment must also be increased by $.50 per hour.

If a general wage increase or COLA increase is expressed as a percentage, applying the same percentage to the pay of a female job class and its pay equity job rate will widen the pay gap.

The Pay Equity Commission directed employers to apply the percentage increase to the pay equity job rate and add that dollar amount to the current rate of pay (Pay Equity Commission, 1993). If the job class of an ECE at Provider A's centre was to receive a 2% COLA increase, the percentage increase is applied to the pay equity job rate to create an adjusted pay equity job rate, for example, of $0.31. The amount of $0.31 is then added to the ECE's current job rate, increasing it. The effect is that the pay gap remains the same and is not artificially increased.

Put simply, general wage increases cannot be used or counted as pay equity adjustments to close the pay equity pay gap.

Provider A has calculated and applied the cost-of-living allowances and general wage increases to the original pay equity target rate. A pay equity gap persists across all job classes.

8. Wage enhancement grants separate from pay equity adjustments

With the introduction of the province's wage enhancement grants, childcare workers saw increases to their hourly pay. Different SSMs across the province also provided direct support to increase wages, particularly for employees with the lowest wages.

Historically, since 2015, Wage Enhancement Grants have been offered as piecemeal solutions in the form of wage subsidies to address the disparity between staff wages and parent fees in regulated childcare. Positions paid less than $26.27/hour were eligible for the wage enhancement grants of $1 per hour plus 17.5 percent benefits as of 2015. Wage enhancement funding could not be used to replace general operating funding provided to operators.

According to the province, the wage enhancement grants had the purpose "to close the wage gap between RECEs working in the publicly funded education system and those in the regulated childcare sector" (Ministry of Education, 2015; AECEO, 2015).

The purpose of wage grants was not to close the gender pay gap, as there is no reference to a male comparator wage or Regulation 396/93 of the Pay Equity Act.

In fact, the Ministry of Education's 2015 Guidelines stated that wage enhancement funding may not be used to replace Pay Equity Memorandum of Settlement obligations (Ministry of Education, 2015).

9. Pay Equity Memorandum of Settlement monies

Following the Proxy Pay Equity 2004 Settlement described above, Provider A was eligible for funding to support the costs of implementing proxy pay equity. The province continues to support eligible organizations with proxy pay equity costs (Ministry of Education, 2025).

The Memorandum of Settlement Pay Equity fund is dedicated to making the pay equity adjustments to achieve pay equity in child care centres. To be eligible for the Memorandum of Settlement monies, Provider A was required to demonstrate that they were a non-profit service provider and:

- had a proxy order from the Pay Equity Commission;

- posted pay equity plan(s) based on proxy comparisons;
- had outstanding proxy obligations; and
- receive funding through CMSMs and DSSABs to provide childcare.

Provider A met all of the eligibility criteria. The local SSM continues to require proof from Provider A that the pay equity adjustments are required and are being allocated to employees. Provider A continues to provide its workers with pay equity adjustments year over year until the pay equity gap is closed and the pay equity target rate is reached for Provider A's staff.

It should be noted that only centres that were part of the original Memorandum

APPENDIX 3

CASE STUDY #2 PAY EQUITY MAINTENANCE AT PROVIDER B

of Settlement in 2001 are eligible for the Ministry of Education Memorandum of Settlement funding. If your centre was not part of the settlement, or if your centre did not have a Notice of Inability to Achieve Pay Equity or a Proxy Order from the Pay Equity Commission, you will not be receiving these settlement monies. (Ontario Regulation 396/93)

This centre has already reached its pay equity target rate, but pay equity maintenance is still required.

Provider B is a small non-profit child care centre in the Greater Toronto Area. This child care centre is unionized. In 1995, it was declared a "seeking employer" by the Pay Equity Commission. The proxy comparator was the City of Toronto.'

Provider B's Executive Director and Board's Treasurer met with the union to identify the key female job classes.

They sought information regarding the City of Toronto's child care employees and their compensation rates. The information gathered was for the Supervisor, the Assistant Supervisor, the Registered Early Childhood Educator, the Early Childhood Assistant and the Cook. These City of Toronto jobs had pay equity-compliant job rates. The City of Toronto had completed its pay equity analysis, and the female-dominated jobs, such as the City's child care jobs, were paid at job rates comparable to male-dominated jobs.

Provider B and the union evaluated all job classes first at the centre, and then the job information received from the City of Toronto. The job classes were awarded points. The compensation information—the hourly wage rates—was then plotted on a regression line. (See Chart 2). The City of Toronto jobs had higher job rates in relation to their gender-neutral job evaluation points and determined job value. This analysis allowed the parties to identify the target pay equity rate.

Pay equity adjustments were paid to the child care employees from 1995 until the proxy legislation was repealed in 1996. No further pay equity adjustments were paid between 1996 and 2004. However, following the successful 2004 Pay Equity Memorandum of Settlement, the pay equity adjustment monies started to be distributed to the employees.

The parties have diligently tracked and compared the pay equity target to the non-pay equity salary increases starting in 1994 to the present. This required comparing the top rate in the job-class wage scale, along with benefits, to the target pay equity rate. One of the centre's job classes reached the target pay equity in 2015. The other five female job classes at the Centre reached the pay equity target rate in December 2024.

For example, the Assistant Supervisor's original pay equity target rate was $25.31 in 1994. With non-pay equity salary increases year over year, the pay equity target rate is now $44.65. The Assistant Supervisors' compensation at Provider B is now $45.98, and so Provider B has reached the target.

The parties are undertaking the pay equity review process.

- Has a further pay equity gap emerged compared to their municipal comparator? The parties are aware that the Ontario Court of Appeal, in a 2021 case, held that employees who have established pay equity through the proxy method will continue to have access to male comparators to maintain pay equity. The Court ordered the Pay Equity Hearings Tribunal to set out the specific procedures to maintain pay equity (Ontario Nurses' Association v. Participating Nursing Homes, 2021, para. 87).

- The Pay Equity Hearings Tribunal has said that the pay equity maintenance process involves two phases. The first step is for the "seeking employer" in this case, the child care centre, to re-examine and re-evaluate the female job classes in their own workplace. The second phase will involve the comparison with the external proxy comparator, in this case, the City of Toronto (Glen Hill Terrace Christian Homes Inc. v. Canadian Union of Public Employees (CUPE) Locals 2225-06/12 and 5110, 2021, para. 28).[4]

Provider B and the union are aware that they need to begin their maintenance exercise by evaluating the jobs at the Centre.

They also await the Tribunal's direction on how they are to use proxy male comparators' pay equity maintenance, which will be decided by the Pay Equity Hearings Tribunal in the case Glen Hill Terrace Christian Homes Inc. v Canadian Union of Public Employees (CUPE) Locals 2225-06/12 and 5110.

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4 See: Glen Hill Terrace Christian Homes Inc. v Canadian Union of Public Employees (CUPE) Locals 2225-06/12 and 5110, 2021 CanLII 126444 (ON PEHT), <https://canlii.ca/t/jl5zm> at para 28.

Glen Hill Terrace Christian Homes Inc. v Canadian Union of Public Employees (CUPE) Locals 2225-06/12 and 5110, 2024 CanLII 74839 (ON PEHT), <https://canlii.ca/t/k67ng>

APPENDIX 4

MUNICIPAL CHILD CARE PROGRAMS: A SAMPLE OF MINIMUM AND MAXIMUM HOURLY WAGES IN ONTARIO

Access to establishing pay equity and maintaining pay equity using the proxy comparison method is vitally important to the child care sector. There are 151 municipally-operated child care centres in Ontario. (See the list at the end of this Appendix).

As early as 1986, the Ontario government recognized that a child care employee in a municipally run child care centre would have access to male comparators. However, for women working in female-dominated workplaces, such as a community child care centre, there was little or no access to male comparators for a pay equity analysis.

The rationale for creating the proxy comparison system, which borrows information about jobs and compensation from municipalities, was the need for women working in child care centres to have access to pay equity and comparable comparators to redress systemic discrimination.

As noted in the report, the Pay Equity Act's Regulation 396/93 prescribes that for a child care centre or childcare resource centre, the proxy pay equity comparator is a "municipality operating daycare facility" located in the same geographic division or a municipality whose principal administrative offices are located the shortest distance from the principal administrative offices of the child care centre.

The following picture of a sample of municipal hourly wage compensation for child care employees provides a small window into compensation differences. This information was gathered through a review of the limited publicly available collective agreements. It is important to note that the collective agreements have different expiry dates. In some cases, collective bargaining for a renewal collective agreement is underway. The hourly wages described here are relevant for December 31, 2024 or January 1, 2025[5]

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5 Please see: Collective Agreement between The City Of Hamilton and the Canadian Union Of Public Employees Local 5167, Expiry Dec 31, 2026. Collective Agreement Between the Corporation of the City of Stratford and The Canadian Union of Public Employees and its Local 1385, expiry Dec 31, 2025. City of Toronto and the Canadian Union of Public Employers Local 79, Memorandum of Settlement, March 5, 2025.; Collective agreement between the Regional Municipality of Durham and the Canadian Union of Public Employees , Local 1764, expiry March 31, 2024.; Collective Agreement between the Sault Ste. Marie District of Sault Ste. Marie Social Services Administration Board and the Canadian Union of Public Employees, Local 5330, expiry January 31, 2027; the Collective agreement between The Corporation of the City of Peterborough and The Canadian Union of Public Employees and its Local 126, expiry December 31, 2026.; Collective agreement between the City of Ottawa and The Ottawa-Carleton Public Employees' Union Local 503, expiry December 31, 2024; Collective agreement between the Corporation of Thunder Bay and the Canadian Union of Public Employees, Local 87 exp Dec. 31. 2026; Collective agreement between United Counties Of Prescott And Russell and the Canadian Union of Public Employees and its Local 2828, expires March 31, 2026.

TABLE 12: JOB CLASSES, START RATES AND TOP JOB RATES FROM SELECTED CENTRES

Job class	Start rate	Top job rate
City of Hamilton	As of January 1, 2025	As of January 1, 2025
Resource Teacher	$39.19	$44.53
Teacher	$36.40	$41.37
Cook – Day Care Centre	$32.01	$34.80
Regional Municipality of Niagara	As of December 31, 2024	As of December 31, 2024
Early Childhood Educator - Band 11	$32.71	$34.61
Child Care Cook - Band 6	$27.70	$29.24
Child Care Centre Custodian - Band 3	$24.58	$25.97
City of Stratford	As of January 1, 2025	As of January 1, 2025
Resource Teacher (Band Q)	$41.19	$43.82
Day care Teacher (Band M)	$36.54	$38.87
Child care worker (Band K)	$33.93	$36.10
Day Care Housekeeper (Band J)	$30.43	$32.37
City of Toronto	As of January 1, 2025	As of January 1, 2025
Early childhood educator 2 (Wage Grade 8-TF0084)	$34.99	$38.20
Early childhood educator 1 (Wage grade 10-TF0083)	$38.58	$42.26
Child Care and Food Services Assistant (Wage Grade 3 – TF5214)	$27.15	$29.59
Daycare Housekeeper (Wage Grade 5 TF0082)	$30.04	$32.78
Regional Municipality of Durham	As of January 1, 2024	As of January 1, 2024
Assistant Supervisor, Child Care	$43.88	$48.75
Registered ECE - Pay band Grade 6	$40.89	$45.21
Child Care Program Assistant - Pay Band Grade 3	$31.10	$34.55
Child Care Aide - Pay Band Grade 1	$23.43	$26.03

Job Class	Start Rate	Top Job Rate
City of Peterborough	As of January 1, 2025	As of January 1, 2025
Child Care Supervisor - Job Class 12	$46.76	$48.73
Early Childhood Educator - Job Class 8	$36.39	$38.34
Day Care Cook (45 hours biweekly) - Job Class 6	$30.30	$32.15
City of Ottawa[108]	As of January 1, 2024	As of January 1, 2024
Supervisor, Child Care Centre - Pay Grade 16	$40.78	$47.71
Staffing Coordinator, Child Care - Pay Grade 11	$33.88	$39.65
Child Care Teacher II - Pay Grade 11	$33.88	$39.65
Child Care Teacher I - Pay Grade 9	$31.12	$36.41
Child Care Teacher's Assistant - Pay Grade 5	$25.60	$29.95
Child Care Cook - Pay Grade 5	$25.60	$29.95
Child Care Housekeeper - Pay Grade 3	$22.84	$26.73
City of Thunder Bay[109]	As of January 1, 2025	As of January 1, 2025
Early Childhood Educator III - Band 10	$32.07	$39.29
Early Childhood Educator II - Band 9	$29.46	$36.51
Early Childhood Education I -Band 8	$28.09	$34.37
Child care Cook - Band 5	$22.24	$27.17
Child Care Centre Worker - Band 4	$20.89	$25.51
Child Care Helper - Band 2	$18.44	$22.48
District of Sault Ste. Marie Social Services Administration Board	As of February 1, 2025	As of February 1, 2025
Early Childhood Educator - Band 9	$33.73	$37.79
Early Childhood Assistant - Band 4	$27.33	$29.90
Part-Time Early Childhood Assistant - Band 4	$27.33	$29.90
Part-time Cook - Band 1	$24.76	$26.06
United Counties of Prescott Russell[110]	As of January 1, 2025	As of January 1, 2025
Educateurs en petite enfance	$31.07	$39.77

APPENDIX 5

LIST OF MUNICIPALLY-OPERATED CHILD CARE CENTRES IN ONTARIO, 2025

TABLE 13: MUNICIPALLY-OPERATED CHILD CARE CENTRES IN ONTARIO

"List of Publicly-Operated Centres in Ontario(Includes those operated by Cities, Regions, Counties, Townships, and DSSABs)"	
Hamilton	1
Ottawa	10
Peterborough	4
Stratford	2
North Perth	4
St. Mary's	2
Toronto	40
Bruce	
Brockton	2
Hastings	4
Huron	
Goderich	1
North Huron	3
Huron East	1
Wellington	4
Cochrane	
Town of Cochrane	2
Hearst	1
Parry Sound	6
Whitestone	1
Kenora	7
Red Lake	3
Sioux Lookout	3
Ignace	1
Dryden	4

"List of Publicly-Operated Centres in Ontario(Includes those operated by Cities, Regions, Counties, Townships, and DSSABs)"

Ear Falls	2
Machin	1
Rainy River	
Atikoken	1
Emo	1
Fort Frances	2
Durham	8
Halton	3
Niagara	5
Prescott-Russell	
Clarence-Rockland	8
Russell Township	4
Mississippi Mills	4
Greenstone	2
Thunder Bay	4
Total	151

APPENDIX 6

TOTAL ONTARIO ELCC OPERATING LESS FEDERAL TRANSFERS

NOTES FOR THE TABLE ON THE FOLLOWING PAGE

Year	Fiscal year ending March 31.
Total Ont Operations	Ontario Public Accounts (Vote 1004-1 operating only, no capital) – Total Operating Expense.
CARE	Ontario Childcare Access and Relief from Expenses Tax Credit – from Public Accounts transfer payment line in Vote 1004-1.
Total Ont Less CARE	Total Ontario operations minus CARE expenditure.
Federal ELCC	Federal Early Learning and Child Care (ELCC) bilateral funding – from federal-provincial agreement allocations.
Federal CWELCC	Fed Canada-wide Early Learning and Child Care (CWELCC) funding – from the Canada–Ontario CWELCC agmnt allocations.
	"Agreement has been carried forward each year: 2021-2022-100%; 2022-2023-95%;20023-2024-75%; 2024-2025-50%;2025-2026-10%
Total Federal	Federal ELCC + Federal CWELCC for that fiscal year. It has been assumed that the maximum amount permissible under the
Ont Less Federal	Total Ontario operations minus Total Federal (provincial net contribution above federal funding).
Ontario Vote 1004-1 totals & CARE line items	Ontario Public Accounts (2015–16 through 2023–24 actuals), Ministry of Education – Vote 1004-1 'Policy Development and Program Delivery' Total Operating Expense, and Expenditure Estimates 2024–25 (operating only, no capital). Government of Ontario. Public Accounts available at: https://www.ontario.ca/page/public-accounts
Federal ELCC bilateral	Government of Canada. Canada–Ontario Canada-wide Early Learning and Child Care Agreement 2021–2026. Table 1 (section 4.7.2) outlines annual notional allocations: 2021–22 $1.099B, 2022–23 $1.681B, 2023–24 $2.081B, 2024–25 $2.449B. Available at: https://www.canada.ca/en/early-learning-child-care-agreement/agreements-provinces-territories/ontario-canada-wide-2021.html

TABLE 14: TOTAL ONTARIO ELCC OPERATING LESS FEDERAL TRANSFERS

Year	Total Ont Operating Expenditure on Child Care	Federal ELCC	Federal CWELCC*	Total Federal	Ontario contribution (total minus federal)	Federal Contributions as % of Total Government Spending on Child Care in Ontario	YOY $ Change in Ontario contribution	Total Ont YOY Increase/Decrease as % of Ontario contribution
	$millions	$millions	$millions	$millions	$millions	%	$millions	$millions
2015-16	$1,280.00	-	-	-	$1,280.00	-		
2016-17	$1,382.10	-	-	-	$1,382.10	-	$102.10	8.00%
2017-18	$1,620.00	$145.00	-	$145.00	$1,475.00	9.00%	$92.90	6.70%
2018-19	$1,936.20	$145.00	-	$145.00	$1,791.20	7.50%	$316.20	21.40%
2019-20	$2,423.30	$145.00	-	$145.00	$2,278.30	6.00%	$487.00	27.20%
2020-21	$2,372.30	$145.00	-	$143.80	$2,228.50	6.10%	-$49.70	-2.20%
2021-22	$2,219.20	$143.80		$143.80	$2,075.40	6.50%	$20.00	0.90%
2022-23	$3,617.80	$195.30	$1,305.30	$1,500.60	$2,117.20	41.50%	$41.80	2.00%
2023-24	$4,252.90	$143.80	$2,086.30	$2,230.10	$2,022.00	52.40%	-$95.20	-4.50%
2024-25	$4,861.10	$212.50	$2,449.30	$2,661.70	$2,199.40	54.80%	$177.40	8.80%

APPENDIX 7

BUDGET FOR NEW TORONTO CHILD CARE CENTRE

TABLE 15: CWELCC COST-BASED FUNDING ESTIMATOR

DRAFT REVENUE AND OPERATING STATEMENT FOR A TORONTO CHILD CARE CENTRE - 2025

Revenue Category from Ministry		$
Program Staffing		801,799.49
Supervisor		91,402.20
Accommodation		124,725.85
Operating		283,824.45
Fixed	256,001.85	
Variable	27,822.60	
Unadjusted Benchmark allocation		**$1,301,751.99**
Geographic adjustment factor		$91,122.64
Benchmark Allocation		**$1,392,874.62**
Growth multiplier (15%)		$208,931.19
Program Cost Allocation		**$1,601,805.82**
Profit/surplus - mark up approx. 8.7%		$122,827.36
Total Ministry allocation		$1,724,633.18

Table continued on next page

Expenses		
Salaries		$ 1,035,177.00
Benefits		$238,090.71
Total Salaries and benefits		$ 1,273,267.71
Replacement wages		$58,520.00
Gross rent (5000 sq ft x $40 Net rent in Toronto)		$200,000.00
Telephone		$3,500.00
Financial services		$50,000.00
Utilities and cleaning		$25,000.00
Child Care Centre liability insurance		$3,500.00
Audit		$5,500.00
Field trips/supplies - as per calculation		$15,268.50
Equipment - as per calculation		$7,634.25
Food - as per calculation		$71,253.00
Staff development - as per calculation		$3,840.00
Miscellaneous		$500.00
Sub-total		**$444,515.75**
10% administration charge (for central admin)		$44,451.58
Total Expenses		$1,762,235.04
EXCESS OF REVENUE OVER EXPENSE (SURPLUS)		-$37,601.86

Note: This is a deficit budget. It also does not include allowance for any repairs/replacement of equipment or renovations.

APPENDIX 8 SUMMARY OF KEY PAY EQUITY TERMS

Pay Equity. Pay equity is equal pay for work of equal value. Pay equity requires that jobs usually done by women (female job classes) must be valued and compared to jobs usually done by men (male job classes). If the job classes are found to be of similar value, the job classes must be paid the same.

Equal Pay for Equal Work. Equal pay for equal work is a section of the Employment Standards Act, 2000 that requires an employer to pay the same wage to a man or a woman doing similar work in the same company. This right does not remedy the occupational segregation of women, which leads to the undervaluation and low pay of women's work, such as that experienced in stereotypical and traditional work of child care employees.

Comparator. A comparator is the male job class to which a female job class is compared and found to be of equal value. The female job class must be paid the same job rate as that of the comparator.

Compensation. Compensation means all salaries, wages, payments, and benefits paid or provided to an employee for performing work for which he/she receives a fixed or predetermined amount.

Gender Bias. Gender bias is the favouring of one gender (usually men) over another (usually women). In compensation, gender bias means that the gender of the person in the job has influenced how that job is paid.

Job Class. A job class is defined as those positions in an establishment that have similar duties and responsibilities; require similar qualifications; are filled by similar recruiting procedures; and have the same compensation schedule, salary grade, or range of salary rates.

Job Evaluation Tool or System. A job evaluation tool or system is used to determine the value of job classes within an organization. The Act refers to the "gender neutral comparison system." It is made up of the 4 main factors: skills, effort, responsibilities and working conditions, plus additional subfactors identified by the workplace parties to fully value work and assess overlooked features of women's work.

Job Rate. Job rate is the highest rate of compensation for a job class. This is the total of the wages, benefits and pension rate that is used to compare the female-dominated job class to the male-dominated job class or the proxy comparator job class. The job rate is usually expressed as an hourly rate.

Job-to-Job Comparison. Job-to-Job is a method of directly comparing female job classes to male job classes in the same establishment.

Proxy comparison method. The proxy comparison method is available to broader public sector organizations funded by the provincial government, such as child care centres, which are unable to achieve pay equity because there are not enough male comparators in their workplaces. The proxy method allows comparisons to be made to job classes outside the organization to either municipalities or hospitals.

Proxy pay equity target rate. The proxy pay equity target rate is the job rate used to establish pay equity for child care workers. It is the job rate from the proxy comparator in relation to the value of the job that the female job classes in the female-dominated workplace are compared to.

This glossary is built from the Ontario Pay Equity Commission's definitions of key terms and the Pay Equity Commission's 1993 Guide to the Proxy Comparison System, available on the B2C2 website.

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