

**Early Learning and Child Care
Rate Increases for Base Operating Grant and Wage Grid Supplement
Frequently Asked Questions (FAQs) Circular # ELCC-2024-05**

Increase to Base Operating Grant Rates - Effective April 1, 2024

1) Who will receive the five percent base operating grant funding increase?

All centres, nursery schools and family/group child care homes that receive operating grant funding will receive the five percent increase for the facility's funded spaces.

2) What is the effective date for the five percent base operating grant funding increase?

The five percent increase to the base operating grant rates will be retroactive to April 1, 2024.

3) How was the five percent increase to the base operating grant calculated?

It is a five percent increase to the base operating grant rates that were in effect April 1, 2023.

4) How is the operating grant calculated for centres, nursery schools and child care homes?

To calculate an annual operating grant for a facility, the number of funded spaces is multiplied by the grant rate for that space type. The grant amounts for each type of space are added together for the grant total for 12 months of operation. If a facility does not operate 12 months per year, divide the annual amount by 12 and multiply by the number of open months to calculate an estimated grant amount.

For a nursery school, the number of sessions offered per week affects the annual amount per approved funded space.

5) What is the purpose of the five percent base operating grant funding increase?

The five percent increase to the base operating grant amounts will help support facilities to address cost pressures they have been experiencing, such as increasing operational expenses for utilities, rent, programming, food and supplies.

This increase will also help support the board of directors of non-profit centres and nursery schools in their efforts to balance their facility's budget.

6) How does this base operating grant increase relate to the previous Wage Grid Supplement increases?

The increase to the base operating grant amount is targeted for use towards operational expenses, administrative costs and programming support.

The Wage Grid Supplement increases are applied to the operating grant amounts and are targeted to increase wages in facilities that employ staff and to increase the provider's income in child care homes that do not employ staff.

7) How much of the total operating grant amount is the base operating grant and how much of it is the Wage Grid Supplement?

See **Appendix A** for a table showing the base operating grant, Wage Grid Supplement and total operating grant amounts by facility type and space type.

8) Will the increase to the base operating grant affect the amount of the Reduced Parent Fee Revenue Grant?

No. The Reduced Parent Fee Revenue Grant continues to be the difference between the previous parent fee rates and the current reduced parent fee rates that were effective on April 2, 2023.

For more information, see [New Regulated Parent Fees and Reduced Parent Fee Funding Frequently Asked Questions for Facilities](#).

9) When will my facility receive the base operating grant increase?

The retroactive payment for the April 1 increase will be issued by the end of May 2024.

The increase to the Wage Grid Supplement effective July 1 will be applied in advance and therefore will be included in the July 1 payment.

The new operating grant rates will be used to calculate grant funding for centre operating budgets and family/group child care home operating grant applications submitted and assessed after the mass re-assessment of grants has been implemented.

10) Do centres or nursery schools need to submit a Supplemental Budget Schedule form that outlines changes to revenue and expenditures that differs from our current Annual Operating Budget submission?

No. Centres and nursery schools do not need to submit a Supplemental Budget Schedule form. Information related to increased revenue received due to the operating grant funding increase should be reflected in your facility's annual financial statements and then future annual budget submissions.

1) Why is Manitoba increasing the Wage Grid and Wage Grid Supplement?

Wages for early learning and child care (ELCC) staff in Manitoba need to continue to increase to improve recruitment and retention of staff. Providing additional funding to facilities to support increasing wages for ELCC staff is critical for supporting the growth of the sector.

2) What is changing in the 2024/25 Wage Grid and Wage Grid Supplement?

Effective July 1, 2024, an increase to the Wage Grid Supplement provides a 2.75 percent increase to the overall revenue (Operating Grant, Reduced Parent Fee Revenue Grant and parent fees) and supports a 2.75 percent increase to the *Starting Point* and *Target* wages included on the new Wage Grid.

The increased Wage Grid Supplement will support facilities to increase wages for staff.

The *Starting Point* and *Target* wages on the Wage Grid are being increased to reflect new expectations for the minimum amount staff of each classification should be paid effective July 1, 2024. The *Target* provides average wages for each position/classification, which facilities should be working towards over the next couple of years.

3) If the *Starting Point* wage has increased, can all employees expect their wages to increase in July 2024?

All facilities are expected to use the increase in funding to increase wages for staff. This does not necessarily mean that everyone will receive an increase to their wages. It may vary depending on what the current wages are. If the facilities budget allows, facilities can pay staff above the *Starting Point* and above the *Target* wage.

4) When should new/revised salary scales based on the 2023/24 Wage Grid be implemented?

Boards of directors may require time to review and implement the 2024/25 Wage Grid increase; however, the expectation is that pay increases will be provided to staff effective July 1, 2024 (retroactively, if additional time is required).

5) Who will receive the Wage Grid Supplement to support increasing wages?

All Manitoba licensed and funded child care centres, nursery schools, and funded family/group child care homes will receive the Wage Grid Supplement increase.

In facilities that employ staff, the increase is to be used to enhance wages for staff. In child care homes that do not employ staff, it will increase the provider's income.

6) Does the Wage Grid apply to private facilities or non-funded facilities?

No. The Wage Grid only applies to licensed and funded non-profit centres (including nursery schools) and funded child care homes.

Licensed for-profit child care centres and unfunded non-profit centres may wish to examine their current fee rates to see if increases are feasible in their current market, in order to increase their staff wages and stay competitive. For-profit facilities may also want to reach out to their Child Care Coordinator if they would like information about becoming a non-profit organization or need assistance in doing a revenue comparison.

7) Why is Manitoba increasing the existing Wage Grid?

Manitoba Education and Early Childhood Learning heard from stakeholders that the Wage Grid established in July 2022 has some shortcomings. The department takes this feedback seriously and has hired KPMG to help develop a more comprehensive framework for wages and benefits in the sector.

Recognizing the critical importance of continuing to improve recruitment and retention to the sector and that this in-depth review and implementation of a new framework will take some time to complete, the department has decided to move forward in the interim with an increase to the *Starting Points* and *Targets* on the existing ELCC Wage Grid.

8) Why did the government not use the Manitoba Child Care Association (MCCA) Market Competitive Salary Guidelines Scale?

The goal of the ELCC Wage Grid is to develop a framework for wages in the sector that will ensure the sector staff are fairly compensated to help with recruitment and retention. Manitoba's Wage Grid provides a foundation to build on and provides average wage targets, rather than prescribed steps.

The MCCA Market Competitive Salary Guideline Scale provides a suggested wage scale that facilities can use if it works for their facility.

9) How is the Wage Grid structured?

The Wage Grid provides a *Starting Point* and a *Target* wage:

- The *Starting Point* provides the lowest wage an employee of that position/classification should receive in a funded facility.
- The *Target* provides average wages for each position/classification, which facilities should be working towards. It does not represent a cap or maximum wage.

The Wage Grid is intended to support increases to the wages for each position/classification on a facility's salary scale. The levels and steps should not fall below the *Starting Point* wage and over the next couple of years, should support their employees being paid on average, at or above the *Target* wage. This approach preserves the authority of boards while ensuring consistent and better wages are provided to the ELCC workforce.

10) Does the Wage Grid establish mandatory wage rates for staff in ELCC facilities?

No. ELCC facilities are independent businesses who are responsible for establishing wages for employees. The Wage Grid Supplement is additional funding provided to facilities that must be used to increase wages to levels set by the facilities.

11) How is the Wage Grid implemented in unionized facilities?

Unionized facilities who receive the Wage Grid Supplement are expected to use this funding to increase wages. Facilities will need to work with the unions, where applicable, to integrate wage increases into collective agreements.

12) How was the increase for the Wage Grid Supplement be calculated?

Facilities will receive an increase to the Wage Grid Supplement as additional funding included in the operating grant to increase wages as of July 1, 2024. The supplement increase was calculated based on the unit funding model to provide a 2.75 percentage increase to the overall revenue (Operating Grant, Reduced Parent Fee Revenue Grant and parent fees).

13) Does a facility need to submit a new Inclusion Support Program (ISP) staff grant application?

Facilities do not need to submit a new ISP staffing grant application to increase hourly rates for staff hired through the enhanced staffing grant. Approved grant amounts will be automatically adjusted by the department, effective July, 2024.

14) What is the unit funding model?

The unit funding model is based on the regulated child-to-staff ratios: a unit is 4 infant, 8 preschool, or 15 school age spaces. It helps to generate similar revenue from Operating Grant, Reduced Parent Fee Revenue Grant and parent fees for different types of spaces.

15) Can the board establish a wage level for a CCA actively pursuing education to become an ECE that is higher than the Wage Grid amounts for a CCA?

Yes. Facilities can establish wages for any position or classification that are higher than the *Starting Point* or *Target* wages in the Wage Grid if the operating budget permits.

Facilities may want to include a “CCA-in-ECE Training” position/wage level between a CCA with the basic 40-hour training requirement and an entry level ECE for CCAs who are actively pursuing their ECE certification. **This can encourage existing employees to pursue their ECE education.**

For example, to support of a staff plan for a trained staff exemption request, the employee must be completing approximately six courses/18 credits per year in a recognized ECE program or be a participant in the ELCC Division ECE II Assessment Program (formerly called Competency Based Assessment/Prior Learning Assessment) to be considered a CCA-in-ECE Training. **When reviewing trained staff exemption requests**, the ELCC Division expects the centre to have a training contract with the employee, which outlines the start and end date of the training leading to their certification as an ECE II.

16) Why are CCAs who have not yet completed the required 40-hours of ECE-related training not included on the Wage Grid and what do we pay them?

Wages for a CCA **without** their 40-hour training is at the discretion of the board. Facilities may pay more than the provincial minimum wage if the operating budget permits.

17) Many CCAs are university students who meet the 40-hour course requirement and are hired full time under summer job grant programs. Should they be paid at the Starting Point?

Staff hired under summer grant programs should be paid the wage rates that were indicated on the approved grant application. If a summer grant employee becomes a regular employee after the summer, they should be placed on your new salary scale. They would be eligible for retroactive pay as of the date when they become a regular employee, not while working under the summer grant program.

18) What is an Entry Level ECE on the Wage Grid?

An entry level ECE on the Wage Grid is a person who has been issued a certificate as an ECE II under Categories of Certificates Section 3.1 of the child care regulation, with less than 2 years work experience as an ECE II.

19) Did the operating grant increase take into consideration the extra costs associated with payroll, such as Employment Insurance, Workers Compensation, Canada Pension Plan, health benefits?

The increased operating funding may be used to support other salary-related costs that have increased due to higher wages, such as Employment Insurance, Canada Pension Plan, Workers Compensation and benefits.

The exception would be employers' pension plan contributions as these continue to be funded separately under the Pension Plan Contribution: Reimbursement Application program.

20) Can the Wage Grid Supplement be used for expenditures other than wages?

All funded facilities receiving an operating grant are required to use the Wage Grid Supplement to increase staff wages.

All funded centres and nursery schools must ensure that the increased revenue from the Wage Grid Supplement to the operating grant and increased expenditures for staff wages are demonstrated in the annual operating budget submissions and annual financial statements.

The Wage Grid Supplement may be used to support other salary related costs that have increased due to higher wages, such as Employment Insurance, Canada Pension Plan, Workers Compensation and benefits.

21) How much of the total operating grant amount is the Wage Grid Supplement and how much of it is the base operating grant?

See **Appendix A** for a table showing the base operating grant, Wage Grid Supplement and total operating grant amounts by facility type and space type.

22) How can I learn more about the Wage Grid Supplement increase to the operating grant and 2024-25 Wage Grid?

- Attend a webinar.
- For a copy of the Circular, FAQs and past Webinars:
www.manitoba.ca/education/childcare/childcare_news/current_circulars.html.
- Review the 2024/25 Wage Grid:
www.manitoba.ca/education/childcare/students_workforce/wage_grid.html.
- Review the Online Tool-Kit for Board of Directors – Wage Grid Implementation:
www.manitoba.ca/education/childcare/centres_homeproviders/centrebased_childcare/financial_management.html#toolkit.
- Learn more about ELCC initiatives and Manitoba’s Action Plans under the agreements with Canada at: www.manitoba.ca/education/childcare/actionplan.html.

23) Who can I contact for more information?

If you have any further questions regarding this information, please email Child Care Information Services at cdcinfo@gov.mb.ca with the subject line “Increased Rates for Base Operating Grant and Wage Grid Supplement” or call 204-945-0776 (toll free: 1-888-213-4754).

Appendix A

The annual operating grant rates include the base operating grant amount and the Wage Grid Supplement amounts. The table below outline the base operating grant, Wage Grid Supplement and total operating grant amounts for centres, nursery school spaces and family/group child care homes.

Maximum Annual Operating Grant Rates by Space Type Annual Amount per Approved Funded Space (based on 12 months of operation)									
Type of Space	As of March 31, 2024			April 1, 2024 to June 30, 2024			July 1, 2024		
	Base Operating Grant	Wage Grid Supplement	Total Operating Grant	Base Operating Grant	Wage Grid Supplement	Total Operating Grant	Base Operating Grant	Wage Grid Supplement	Total Operating Grant
Centres									
Infant	11,603	3,665	15,267	\$12,183	\$3,774	\$15,957	\$12,183	\$4,428	\$16,610
Preschool	4,264	1,827	6,090	\$4,477	\$1,867	\$6,344	\$4,477	\$2,190	\$6,667
School Age	1,697	971	2,669	\$1,782	\$987	\$2,769	\$1,782	\$1,158	\$2,940
Nursery School									
1 to 5 sessions per week	1,066	712	1,778	\$1,119	\$722	\$1,841	\$1,119	\$847	\$1,966
For each additional session up to 10 per week	213	142	356	\$224	\$144	\$368	\$224	\$169	\$393
Family/Group Child Care Homes									
Infant	2,747	1,609	4,356	\$2,884	\$1,635	\$4,519	\$2,884	\$1,918	\$4,802
Preschool	2,109	1,292	3,402	\$2,215	\$1,312	\$3,527	\$2,215	\$1,539	\$3,754
School Age	898	820	1,718	\$942	\$829	\$1,771	\$942	\$972	\$1,915
(Base Operating Grant + Wage Grid Supplement = Total Operating Grant)									
Base operating grant = January 2016 rates + 2% increase effective April 1, 2023 + 5% increase effective April 1, 2024.									
Wage Grid Supplement (WGS) = July 1 2022 WGS introduced + July 1, 2023 WGS increase + July 1, 2024 WGS increase									