

Savings Investment Benefit – Frequently Asked Questions
Circular # ELCC-2022-07 REVISED – See revisions in bold below.

1. Is the savings investment benefit funded under a federal agreement?

- Yes. This one-time funding initiative is funded through the 2021/22 Canada-Manitoba ELCC Agreement, Early Childhood Workforce Funding Annex. This initiative focuses on retention efforts to support a quality workforce, by recognizing trained staff for their dedicated years-of-service in Manitoba’s ELCC sector.
- For more information on the Canada-Manitoba ELCC Agreement and Early Childhood Workforce Funding Annex (page 40), visit:
<https://www.manitoba.ca/fs/childcare/pubs/canada-mb-2021-2025-elcc-agreement.pdf>

2. What is the purpose of the savings investment benefit?

- The savings investment benefit was developed to enable ECEs to make an initial contribution of funds into a savings investment such as a Tax Free Savings Account, recognizing sector staff with financial supports for short or long-term goals.
- In recognition of ECEs dedication to the sector and to ensure equitable distribution of funds, the benefit is based on a years-of-service model.

3. How is the funding for this benefit calculated?

Funding will be determined based on the followings years-of-service model:

Years-of-Service in ELCC Sector	Eligible Benefit
2 – 4y11m	\$450
5 – 9y11m	\$700
10 -14y11m	\$1,000
15 <	\$1,400

4. Who is eligible for the savings investment benefit?

All trained ECEs with a II or III classification, who:

- a) Have worked at a licensed ELCC centre, home, or nursery school between April 1, 2020 – March 31, 2022; and**
- b) Have completed a minimum of at least two consecutive years-of-service working at a licensed ELCC centre, home or nursery school.**

- **Note: The eligible ECE should be a regular employee (includes full or part-time employment) and as long as they meet the eligibility requirements noted above, the consecutive employment can be at more than one facility. The period of**

employment for this benefit, noted above, is to also acknowledge the service and dedication of longer-term child care employees, supporting the provincial COVID-19 response efforts.

- While CCAs are not eligible to receive this benefit, they are eligible to receive other benefits under the Early Childhood Workforce Funding Annex, such as the ECE tuition re-imbusement, a \$2M investment to increase the number of ECEs in the system, helping facilities to meet trained staff requirements. Other investments include the Wage Bridge and other workforce recruitment initiatives supporting their career growth.

5. What if an ECE employed at my facility, was only employed at my facility for the last few months- are they still eligible for the savings investment?

Yes. All trained ECEs with a II or III classification who have recently begun employment at your facility remain eligible as long as they fulfill eligibility requirements as outlined in question 4.

6. How will facilities receive the funds for the savings investment benefit?

- Facilities must complete and submit the attached Facility Staffing Information Form to elccfinance@gov.mb.ca confirming all eligible ECE staff members and their employment start date in the ELCC sector (in licensed centre, home or nursery school) by March 31, 2022.
- Facilities will be provided with a total funding allocation for all eligible ECEs based on the information received in the form and using the years of service model outlined for this initiative.

7. How are 'years-of-service' in the sector determined?

- Years of service in the sector is determined based on the initial employment start date at a licensed child care centre, home or nursery school. While eligibility for the benefit requires a current ECE classification, the employee classification at the time of the initial employment start date in the sector is not relevant for this purpose.
- **If an ECE's historical employment included service at a non-profit child care facility, the ECE may be eligible for this benefit, even if the current employer is a licensed for-profit facility.**

8. How are years-of-service calculated for a staff that took a leave-of-absence from the field but have now returned?

Absences from work at a licensed facility greater than a 52 week period will be excluded when calculating years-of-service. Providing staff returned and were employed between April 1, 2020 and March 31, 2022 and have completed a minimum of two consecutive years-of-service working in a licensed ELCC facility, they remain eligible, less the time away from the sector.

9. Does maternity or paternity leave impact the calculation in years-of-service?

No. When calculating year-of-service, absences from employment for maternity or paternity leave does not affect total years-of-service. For example, if the employee had a one-year maternity/paternity leave, the year could be counted towards total years-of-service.

10. When will the savings investment benefit be disbursed to facilities?

All forms will be processed after March 31, 2022, and it may take up to four weeks for facilities to receive the funds.

11. What are the requirements for staff receiving the savings investment benefit?

- Facilities are required to distribute the allocated funds to eligible ECEs in a timely manner. The distribution method of the benefit funds is at the discretion of the facility.
- **Boards of Directors have the legal authority to make this business decision for a non-profit facility, while Owners/Operators have the legal authority to make this decision for private facilities (including home-based providers).**
- The intent of the benefit is to assist in establishing a savings investment opportunity and ECEs should be encouraged to consider using the benefit for an option such as a personal Tax-Free Savings Account.

12. Are facilities required to collect proof of deposit from employees?

- **Facilities will not be required to collect and submit proof of benefit funding deposits made by their employees to the department. Facilities should reflect the distribution of benefit funds to eligible ECEs in their annual financial reporting to the ELCC Division.**
- **While ECEs are not required to submit proof of their investment, they are encouraged to retain a receipt of the investment for their own personal records.**

13. This benefit was published in Manitoba's 2021/22 Action Plan as a TFSA investment, why is it now being represented as a savings investment? Is a TFSA Account Required?

The intent of the benefit is to provide funds to establish or contribute to an investment for ECEs. Understanding this initiative as a savings investment provides the flexibility, allowing ECEs to choose the best investment option for their personal situation and financial goals.

14. Is this a taxable benefit?

- **The child care centre boards of directors hold the authority for the decision on how the funds are distributed to eligible ECEs in their facility. If the choice is to distribute through payroll it will likely be taxable. If a board decides to execute**

direct deposits into an option such as a Tax Free Savings Account it may not be taxable. Boards are encouraged to seek out independent advice, if needed.

15. What communications can I provide our eligible ECEs when we distribute their allocated funding under this initiative?

Below is some sample wording you may consider:

- You have been identified as an eligible ECE to receive a Savings Investment Benefit as outlined under the 2021/22 Canada-Manitoba ELCC Agreement, Early Childhood Workforce Annex. For more information on the Canada-Manitoba ELCC Agreement and Early Childhood Workforce Funding Annex, visit:
<https://www.manitoba.ca/fs/childcare/pubs/canada-mb-2021-2025-elcc-agreement.pdf>.
- **This one-time funding initiative recognizes trained ECE staff such as yourself, by honouring years of service you dedicated to early learning and child care and provides an opportunity to begin a savings option of your choice, such as an investment into a Tax Free Savings Account. Please retain receipts when investing this benefit for your own personal records.**
- **In recognition of your dedication to the sector, the benefit is based on a years-of-service model. Funding amounts have been determined based on your initial start date in the ELCC sector (in a licensed child care centre, home or nursery school) and your years of service excluding leaves in excess of 52 weeks.**

- Benefit amounts are:

Years-of-Service in ELCC Sector	Eligible Benefit
2 – 4y11m	\$450
5 – 9y11m	\$700
10 -14y11m	\$1,000
15 >	\$1,400

- All trained ECEs with a II or III classification who:

a) Have worked at a licensed ELCC centre, home, or nursery school between April 1, 2020 – March 31, 2022; and

b) Have completed a minimum of at least two consecutive years-of-service working at a licensed ELCC centre, home or nursery school.

-Thank you for your valuable contribution to early learning and child care and your dedicated long-term service to the ELCC sector.

16. Who do I contact for more information?

- For additional inquiries, email cdcinfo@gov.mb.ca or call Child Care Information Services at 204-945-0776 or toll-free: 1-888-213-4754.