

Wage Grid Supplement Increase to support the new 2023/24 Wage Grid

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Information Session – For Centre Directors and Boards of Directors

Early Learning and Child Care Division

Department of Education and Early Childhood Learning

Monday, May 15, 2023

Tuesday, May 16, 2023



Agenda

1. Background: 2022/23 Operating Grant Increase and Wage Grid Implementation
2. New 2023/24 Wage Grid
3. 2023/24 Wage Grid Supplement increase
 - Implementation plan for centres
4. Common Questions
5. Implementation Resources
6. Questions

Background - Wage Grid

- All provinces and territories have established a partnership with the federal government under the Multilateral Early Learning and Child Care (ELCC) Framework, to build a Canada-wide, publicly funded ELCC system.
- Under the Canada Manitoba Canada-Wide ELCC Agreement, Manitoba committed to improving quality and supporting the recruitment, retention and growth of the ELCC workforce, including implementing a Wage Grid in the non-profit ELCC sector.
- A well-compensated ELCC workforce is essential to:
 - Deliver high-quality ELCC services
 - Stabilize and strengthen the ELCC sector
 - Address labour market shortages
 - Support the retention of current staff
 - Support recruitment of new individuals to a career in early childhood education

Background - Additional Manitoba Context

- Large disparity in wages across the sector.
- Child Care Facilities – Board of Directors
 - All child care facilities in Manitoba, including funded facilities, operate as independent businesses.
 - Boards of directors are the legal entity responsible for all aspects of the business, including determining staff wages.
- Operating Grant Funding – Primary source of funding for salary-related costs
 - In addition to parent fees/parent fee revenue grant, operating grant funding provided to funded facilities by Manitoba is the primary source of revenue used to support staff wages, operational expenses, administrative costs and programming support.
- Wage Grid – Wage targets; based on similar public sector wages

The Initial Wage Grid in 2022/23

- Intended as a **first step** in the development of a more comprehensive wage scale to help narrow the gap between highest and lowest wages across Manitoba.
- Provided funded facilities with **guidance** on wages for Child Care Assistants (CCAs) and Early Childhood Educators (ECEs) to promote fair, competitive and consistent wages. Preserves Board/Owner Operator authority.
- **Implemented July 2022**, retroactive payments to staff.
- Supported through a **Wage Grid Supplement to the operating grant** based on the unit funding model.
- Identified **Starting Point** and **Target** wage for each position/classification.

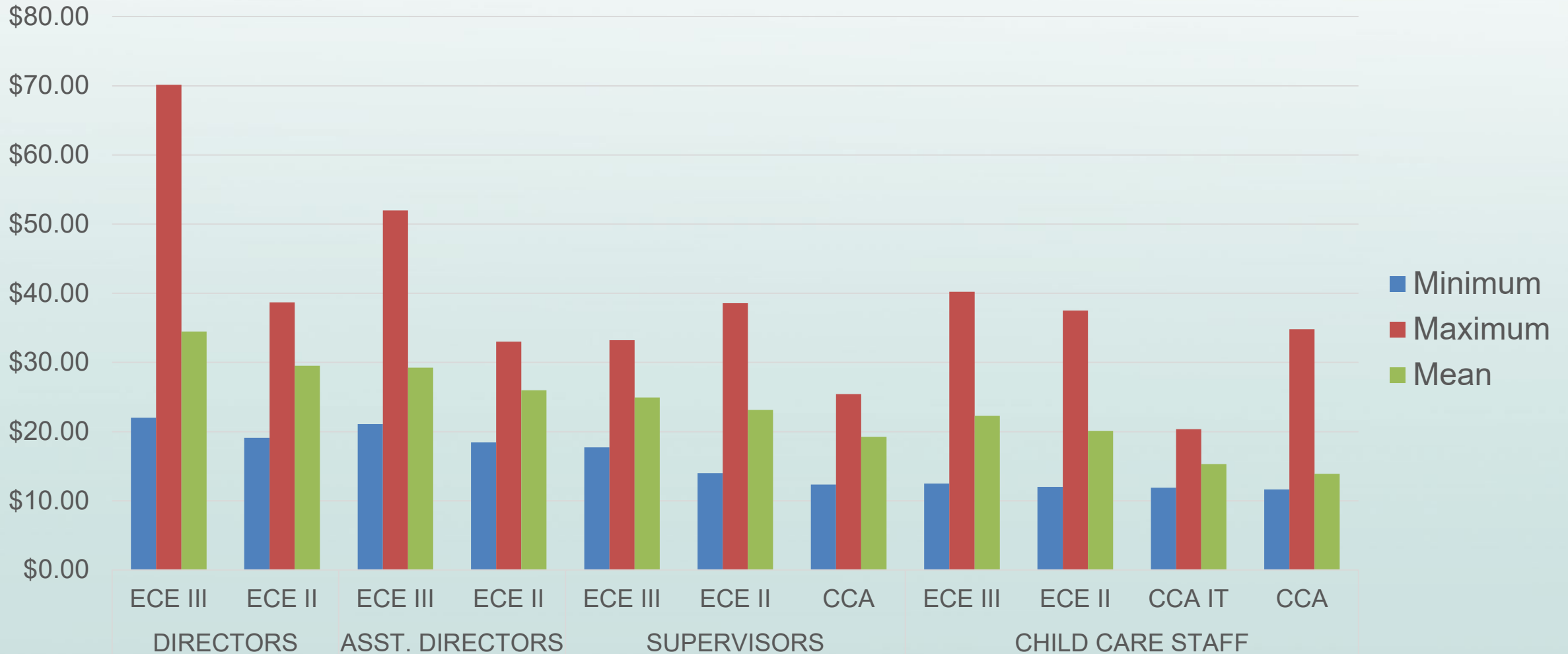
Considerations: 2023/24 Wage Grid

- Fall 2022 Speech from the Throne committed to increase wages in 2023.
- Minimum wage increase in 2023.
- Lessons learned from 2022/23 Wage Grid:
 - More lead time needed for implementation
 - Clarification on terminology
- Hiring a consultant to support the development of a more comprehensive framework for wages in the sector based on market research and consultation with the sector.

Wage Analysis



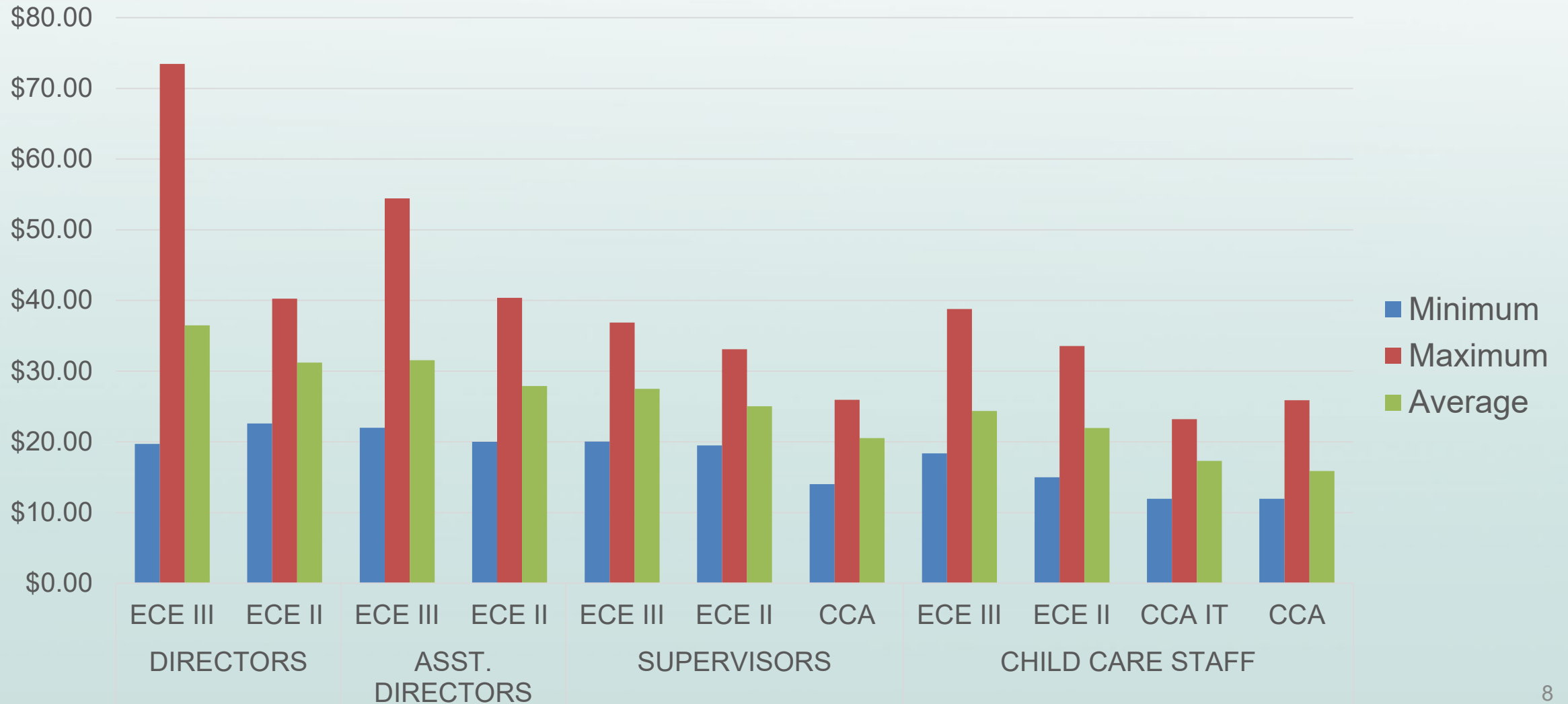
Hourly Wages 2021/22



Wage Analysis



Hourly Wages 2022/23



Wage Grid 2023/24

Effective July 1, 2023

\$56.1M TOTAL
\$3.3M Provincial Funding

- An increase to the revenue generated per child care space, will support an increase to the ***Starting Point*** wages on the ELCC Wage Grid.
- An increase in the ***Starting Point*** wages will help sector employees get closer to the ***Target*** wages on the 2022/23 Wage Grid.
- All Manitoba licensed, not-for-profit child care centres, nursery schools, and funded family/group child care homes will receive a “**Wage Grid Supplement**” to increase wages on July 1, 2023.

Wage Grid 2023/24 Structure

The ELCC 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 by July 2024.
- The 2023/24 Wage Grid is intended to support increases to 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 year, should support their employees being paid on average, at or above the Target wage.**

Higher wages may be paid based on an employee's position and classification as well as a facility's salary scale, if a facility's operating budget permits.

The Wage Grid provides guidance for boards to begin offering wage levels from a common baseline to ensure greater consistency throughout the sector.

Wage Grid Supplement

- Facilities will receive a **Wage Grid Supplement** as additional funding included in the operating grant to increase wages as of July 1, 2023.
- The supplement is calculated by providing an increase to the overall revenue generated per space using 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.
- Each unit type generates the same daily revenue from combined parent fees and operating grant funding.

Maximum Annual Grant Rates, Effective July 1, 2023

Type of Space	Infant	Preschool	School Age	Nursery School (1 to 5 sessions per week)	Nursery School (for each additional session up to 10 per week)
Annual amount per approved, funded space. Effective July 1, 2023	\$14,997	\$5,991	\$2,629	\$1,753	\$351
Increase from July 1, 2022 Rates	\$1,321	\$660	\$352	\$258	\$52

Operating Grant Assessment Updates

Centres

- Current operating budget submissions will be reassessed in Child Care Online to adjust upcoming quarterly payments based on the new operating grant rates. The quarterly payment for July to September will be issued July 1, 2023.
- **For centres with a June year end**, the extension operating grant payment for July to September quarter will be issued on July 1, 2023.
 - The payment amount will be based on the facility's 2022/23 operating budget submission, which was assessed using the previous operating grant rates.
 - An adjustment to the extension payment to reflect the new operating grant rates will be made once the facility's 2023/24 operating budget has been received.
- The new operating grant rates will be used to calculate grant payments for centre operating budgets submitted on or after July 1, 2023.

Operating Grant Assessment Updates

Nursery Schools

- Current nursery school annual operating grant submissions will be reassessed in Child Care Online reflecting the new operating grant rates.
- The quarterly payment for July to September will be issued July 1, 2023 for facilities that operate 12 months per year.
- For nursery schools that are closed in July and August, the new operating grant rates effective July 1, 2023 will be used on their next grant installment or when their 2023/24 budget submission is received.

2023/24 ELCC WAGE GRID			
Position/Classification	Hourly Wage		
	2022/23 Starting Point	2023/24 Starting Point	Target*
Director ECE III			
151-200	\$33.75	\$35.82	\$36.84
51-150 spaces	\$30.32	\$32.18	\$32.54
50 spaces or less	\$27.27	\$28.95	\$29.23
Director ECE II			
151-200 spaces	\$31.69	\$33.64	\$33.64
51-150 spaces	\$28.43	\$30.18	\$30.58
50 spaces or less	\$25.58	\$27.15	\$27.40
Assistant Director			
ECE III	\$27.20	\$28.87	\$29.25
ECE II	\$24.53	\$26.04	\$26.30
Supervisor			
ECE III	\$25.84	\$27.42	\$27.67
ECE II	\$23.32	\$24.75	\$25.00
Floor Staff			
ECE III	\$22.29	\$23.66	\$23.77
ECE II - 2 + years experience	\$20.90	\$22.18	\$22.29
ECE - Entry Level	\$19.53	\$20.73	\$20.90
CCA (with 40 hour course)	\$16.05	\$17.04	\$17.17

Common Questions

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.
- We are hiring a consultant to do a comprehensive review of sector wages. This will include completing market research, consulting with sector stakeholders, and developing recommendations for a more comprehensive framework for wages in the sector.
- Recognizing the critical importance of continuing to improve recruitment and retention to the sector, the department has decided to move forward in the interim with an increase to the *Starting Point* on the existing ELCC Wage Grid.

Common Questions

Can all employees expect their wages to increase in July 2023?

- 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.

Common Questions

How can I calculate the Wage Grid Supplement our facility will receive?

- To calculate the amount of the July 1, 2023 Wage Grid Supplement, subtract the amount your facility previously received (old) from the grant amount your facility will receive effective July 1 (new).
 - Increase per space is included in the grant rates chart in the circular
- For example, a school age space: If the Wage Grid Supplement amount was \$2,277 and the new amount is \$2,629, the wage grid supplement would \$352 per space.

Common Questions

Why are CCAs who have not completed the required 40-hours of ECE-related training not included on the Wage Grid?

What should we pay them?

- The starting wage 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.

Common Questions

Can the board establish a wage level for a CCA actively pursuing education to become an ECE that is higher than the Wage Grid wage 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.
- If your facility does not currently have CCA-in-ECE Training classification, you may want to consider adding this classification as it can encourage existing employees to pursue their ECE education.

Common Questions

How should a facility consider a CCA in the Workplace ECE Program on the Wage Grid?

- The ECE Workplace Program is an accelerated program that provides the specialized training and credentials needed to become an ECE II.
 - A Workplace student could be placed on a “CCA-in-ECE Training” position/wage level if your centre has this level on their salary scale.
- As is the case with all positions and classifications, decisions regarding wages are at the board’s discretion. They may pay higher wages if their budget allows, with consideration of factors such as, attending the workplace program and years of experience.

Common Questions

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

- The MCCA Market Competitive Salary Guideline Scale provides a suggested wage scale that facilities can use if it works for their facility. Further analysis is required to determine what the most effective and equitable framework for wages will be for Manitoba.
- The goal of the 2023/24 ELCC Wage Grid is to ensure all staff earn at least the *Starting Point* wage in each position/classification. This Wage Grid is a step toward a full, comprehensive wage scale following the pursuit of a complete wage analysis and consultation

Common Questions

Is there going to be an increase to the salaries supported by the *Inclusion Support Program (ISP) Staffing Grant*?

- Funding to support ISP Staffing Grants will be based on the *Starting Wage* on the 2023/24 Wage Grid for a CCA (with a 40-hour course) Position/Classification, which will be \$17.04 on July 1, 2023.
- For staff hired under this program who earn less than \$17.04, facilities are expected to submit a new *ISP Staffing Grant* application to increase the wages to align with the 2023/24 Wage Grid. Updated applications are required to meet financial and reporting requirements for the ISP Program.
- Facilities may pay higher wages if their budget allows.

Common Questions

Is there going to be an increase to the salaries supported by the *Staff Replacement Grant*?

- As per usual practice, facilities should submit a *Staff Replacement Grant* application before the fall term for the Workplace ECE Diploma Program.
- Funding to support staff hired under a *Staff Replacement Grant* will be based on the 2023/24 Wage Grid *Starting Wage* of \$17.04 for a CCA (with a 40-hour course) Position/Classification effective July 1, 2023.
- Facilities may pay higher wages if their budget allows.

Financial Reporting Requirements

- Increased revenue from the operating grant and increased expenditures for staff wages must be demonstrated in your facility's:
 - next annual operating budget submission, and
 - annual financial statements.
- These reports are required under the Canada-Wide Agreement, and will ensure accountability of facilities receiving the increased funding and will confirm wage targets are being met.

Financial Reporting Requirements

As a condition of receiving operating grant funding, within 5 months of a facility's fiscal year end:

- Centres are required to submit audited financial statements to confirm the use of public funds towards the intended purpose, including all operating costs and detailed wage information.
- Nursery schools are required to submit a complete set of financial statements prepared in accordance with the generally accepted accounting standards, but do not need to be audited or reviewed by an accountant as outlined in *Financial Statements: Requirements for Nursery Schools*.

Role of the Board of Directors

As the employer, the board of directors is responsible for the development of the facility's salary scale for employees, from frontline staff to directors.

To implement the new Wage Grid, boards of directors should:

- Review position descriptions, roles and responsibilities to account for and include positions not specified on the ELCC Wage Grid, e.g. Administrative Roles, CCA-in-ECE Training
- Review and compare your facility's current salary scale to the hourly wages listed in columns titled **Starting Point** and **Target** on the 2023/24 Wage Grid.
- Review the increased Wage Grid Supplement being provided to confirm the increased amount of funding that is to be applied to increasing wages in your facility effective July 1, 2023.
- Adjust your salary scale accordingly.
- Adjust your budget to reflect the increased operating grant revenue and increased costs for proposed staff wages.
- Review and approve your revised salary scale and budget according to your facility's bylaws, policies and procedures.
- Provide payment to employees at your facility's new salary levels effective July 1, 2023.

Implementation Resources

- **Operational Guidance - Circular and Frequently Asked Questions for Facilities – Wage Grid Supplement Increase to Operating Grant and 2023/24 Wage Grid**
www.manitoba.ca/education/childcare/childcare_news/current_circulars.html
 - **Reminder: MCCA Board Governance Training – No Cost for Boards/Mgmt**
- **2023/24 Wage Grid, effective July 1, 2023**
www.manitoba.ca/education/childcare/students_workforce/wage_grid.html
- **Online Tool-Kit for Board of Directors – 2023/24 Wage Grid - Available Soon***
www.manitoba.ca/education/childcare/centres_homeproviders/centrebased_childcare/financialmanagement.html#toolkit
- If you have any questions, please email cdcinfo@gov.mb.ca

Questions?