

October 7, 2010

**PENSION FOR CHILD-CARE SECTOR  
TO STRENGTHEN WORKFORCE STABILITY: MACKINTOSH**

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\$6.6-million Plan  
First Outside of Quebec**

Child-care workers in Manitoba will be eligible for a pension plan starting Dec. 1, as part of a Workforce Stability Strategy, Family Services and Consumer Affairs Minister Gord Mackintosh announced today.

“Child-care workers have said the protection and stability of a pension plan is important as a key part of our strategy to recruit new workers as well as keep those who are already providing great care and early learning for children,” said Mackintosh. “We want to make sure more people discover that child care is a rewarding and satisfying career.”

Manitoba will be the only province outside of Quebec to offer a provincewide plan to child-care workers. Resources will be available to child-care centres and home-based providers as follows:

- for centre-based workers, the province will match employee payments of four per cent of salaries to a defined-contribution pension plan;
- for home-based child-care providers, the province will reimburse 50 per cent of annual RRSP contributions up to \$1,700; and
- for both centre-based workers and home-based providers, the province will provide a retirement benefit equivalent to four days pay per year of service to a maximum of 10 years at age 65 (or from 55 to 65 with age and years of service totalling at least 80).

Full-time child-care centre staff working an average of 30 hours or more per week will be eligible immediately and must join after two years. Part-time staff will be eligible after two years of previous employment based on specific requirements for hours worked.

Centres that already offer a pension plan will be eligible for reimbursement. When fully implemented, the province will provide up to \$6.6 million per year to fund the program. Information packages and orientation sessions with details of the plan will be available to facilities soon.

The pension plan will supplement a 49 per cent increase in wages for front-line early-childhood educators since 1999, bringing their starting salary to \$32,000 per year. Manitoba’s early-childhood educator wages are the second highest in Canada. Overall, workforce initiatives have helped attract over 2,000 more child-care workers in the last five years, as reported by child-care centres.

The pension plan is one part of Family Choices: Manitoba's Five Year Agenda for Early Learning and Child Care, launched in April 2008. Notably, Family Choices committed to funding 6,500 more child-care spaces and 35 new child-care centre sites. To date, funding for 3,500 spaces and 29 sites has been announced. There are 6,500 child-care workers employed in centres and nursery schools, plus another 471 workers offering child-care services in homes.

BACKGROUND INFORMATION ATTACHED

## **FAMILY CHOICES WORKFORCE STABILITY STRATEGY UPDATE OCTOBER 2010**

In November 2008, Manitoba launched the Workforce Stability Strategy, an aggressive recruitment and retention campaign. Key components of the strategy already in place include:

- Higher wages: Front-line early-childhood educator salaries have increased by nearly 50 per cent over 1999, well ahead of the rate of inflation of 23 per cent over the same period.
- Wage equity: Wage adjustment funding supports facilities in paying front-line early-childhood educators a minimum of \$15.50 per hour – new graduates can expect to earn \$32,000 per year when they graduate. This is the first step in establishing a minimum base wage. As well, to encourage more child-care assistants to pursue training, wage adjustment funding allows centres to pay child-care assistants in a training program at least \$12.25 per hour.
- Pension plan: The first provincewide plan outside Quebec is being launched this fall to strengthen retention and ensure child care is a career with a future.
- Expanded training: Initiatives have been launched, such as:
  - workplace training that lets child-care assistants earn an early-childhood educator diploma on a part-time basis while they work at a child-care centre,
  - video streaming to allow workplace training offered at Red River College's regional campuses, and
  - an innovative and holistic training program operated by Urban Circle that helps Aboriginal students train to become early-childhood educators.

A workplace training program at Assiniboine Community College Dauphin launched in 2008 accommodates approximately 25 students. Overall, nearly 100 additional training seats are available with these projects.

- More training options: The annual training grant was increased to \$350 from \$250 in early 2009 to support child-care assistants and home child-care providers complete approved post-secondary courses. This grant was also extended to early-childhood educator II's to upgrade their credentials.
- Scholarships: The Family Choices Scholarship Fund is now offered to students entering two-year diploma studies at University College of the North and St. Boniface College – areas with the greatest labour shortage.
- Public awareness campaign: The province launched a new campaign, It's the Small Wonders that Make This Career Great, to highlight the benefits of working in the field.