

EARLY LEARNING AND CHILD CARE CIRCULAR

Date: June 27, 2024

CIRCULAR NUMBER: ELCC-2024-07

To: All licensed child care facilities, Early Learning and Child Care Division

Subject: Changes to the Retirement Benefit

Effective Date: July 1, 2024

Type:	<input type="checkbox"/> Policy	<input type="checkbox"/> All Facilities	<input type="checkbox"/> Action Required
	<input type="checkbox"/> Procedure	<input checked="" type="checkbox"/> Centres	<input checked="" type="checkbox"/> Information Only
	<input type="checkbox"/> Licensing	<input checked="" type="checkbox"/> Nursery Schools	
	<input checked="" type="checkbox"/> Financial	<input checked="" type="checkbox"/> Family/Group Homes	
	<input type="checkbox"/> Subsidy		

This circular is to advise of changes to the Retirement Benefit program currently available to eligible employees who work in a licensed, non-profit child care centre (including nursery schools) or a licensed family or group child care home in Manitoba.

Since 2010, Manitoba has been recognized for its pension plan and retirement supports available to the early learning and child care workforce. In addition to providing funding for registered pension plans and matching Registered Retirement Savings Plan (RRSP) contributions, the Retirement Benefit supports long-term service recognition in the early learning and child care sector by providing a one-time payment to child care professionals based on years of service. Under the Child Care Worker Retirement Benefits Regulation, licensed non-profit child care centres are required to provide this benefit to eligible employees and can apply for reimbursement of the cost from Manitoba Education and Early Childhood Learning.

The current Retirement Benefit application form (declaration for centres/employers) stipulates that if the recipient returns to work at their centre within six months of retirement, the centre is required to repay the full amount of the Retirement Benefit to the province.

To ensure that important retirement planning supports continue to enable a strong and sustainable workforce, and do not create barriers for child care professionals to return to their centres on a part-time or substitute basis, the Retirement Benefit application has been updated to remove this condition.

Effective July 1, 2024, licensed non-profit centres will not be expected to repay any amount of the Retirement Benefit if the recipient returns to work at their centre within six months of their retirement. The employer declaration within the application stipulating repayment of the Retirement Benefit under this circumstance has been removed. This means recipients of the retirement benefit can return to work at their centre at any time after retirement, including those who have retired within the past six months.

Eligibility:

The Retirement Benefit is available to all staff working in licensed, non-profit child care centres, including nursery schools and licensed family/group child care homes who:

- Retires at or after age 65
- Retires at or after age 55, but before 65, and whose age plus years of service equals 80 or more

The benefit provides the equivalent of four paid days for every year of service, to a maximum of 10 years, a total of up to 40 paid days (320 hours).

Payment and Application:

Centres including nursery schools will pay the employee this Benefit through their regular payroll processes and apply to the department for reimbursement of the cost. Home-based family and group child care providers will apply to department for payment. The Benefit is taxable income.

To apply - Complete and submit the Retirement Benefit Application for Manitoba Child Care Workers and Home-Based Providers available at:

www.manitoba.ca/education/childcare/resources/pubs/pension_retirement_benefit_form.pdf

Highlights of Additional Retirement Planning Supports:

Registered Pension Plans

- Available for full- and part-time employees in licensed, non-profit centres and nursery schools including any support staff.
- Employers are eligible for reimbursement up to four per cent of each employee's wages to cover the employers' contribution. Employees must also contribute at least four per cent of their wages.
- Centres and nursery schools set up their plans according to [The Pension Benefits Act](#)
- Employees are entitled to the contributions they made and the contributions their employer made, even if they leave their position, but all funds remain locked-in for retirement purposes.

Matching Registered Retirement Savings Plan (RRSP) Contributions

- Available for all licensed home-based family and group child care providers, including staff who are paid by the provider to care for children with additional support needs under the Inclusion Support Program. (Participation is voluntary)
- Licensed family and group child care providers who buy RRSPs are eligible for a 50 per cent reimbursement of the costs, up to a maximum of \$1,500 per year, or \$1,700 for a family child care provider with ECE II or ECE III classification.

Further information regarding Manitoba's Early Learning and Child Care pension and retirement planning supports is available at:

www.gov.mb.ca/education/childcare/centres_homeproviders/providers_resources/rprs.html

If you have any further questions regarding the information in this circular, please email cdcinfo@gov.mb.ca with the subject line "Changes to the Requirement of the Retirement Benefit" or call 204-945-0776 (toll free: 1-888-213-4754).

Thank you for your ongoing commitment to meeting the needs of Manitoba families and children and dedication to improved workforce supports. We recognize the critical importance of working together to strengthen Manitoba's early learning and child care system, and we appreciate the continued feedback.

Early Learning and Child Care