

Exploring Opportunities for Employee Child Care

Balanced Approach to Expand Child Care Options for Employees

Recommendation:

That the May 26, 2015, Corporate Services report CR_2478, be received for information.

Report Summary

This report outlines the principles and approach Administration will follow leading to a Directive on the provision of employee child care.

Report

At the November 26, 2014, City Council Budget meeting, during the discussion on the Westwood Garage Replacement, Administration identified a need to take a broader look beyond this Capital Project at the issue of expanding Day Care options for employees.

Administration recognizes that many staff have a dual role as both an employee and as a parent. As a progressive employer, Administration supports playing an active role in investigating and pursuing actions that could expand the number of day care options available to employees.

The issue of employer-supported child care is complex and challenging. While the need for increased child care options is generally recognized, according to Stats Canada less than 7 percent of employers currently have an initiative or guidelines in place.

An internal employee survey conducted in 2014 confirmed the need and value that employees place on this service. The benefits often cited included availability of an additional option, assurance of security, quality care and advantage of proximity to their workplace allowing for easier drop off and pick up, as well as the ability to respond to mid-day issues.

External studies report that employer-supported child care has a number of benefits for employers including enhanced ability to attract and retain talented staff, reduced employee stress, increased employee wellness and improved employee morale.

A cross-departmental team reviewed the issue of employer-sponsored childcare and developed the principles and guidelines to better position Administration to evaluate future opportunities. The team recognized a balanced approach is best, as it is not feasible to investigate or promote additional options in all work locations. A principle-based approach will ensure future opportunity evaluations are well structured and grounded.

ESTABLISHMENT OF PRINCIPLES

Administration has established the following principles to guide its role as an enabler in creating more options for employees.

- Focus will be on child care up to the age of six.
- Facilities will be operated by external organizations (includes not for profit, for profit or cooperative businesses).
- Business case reviews will be undertaken for work locations and areas that host more than 500 employees within a 1 km radius.
- The cost of operating the facility will not be subsidized (City operating and capital cost will be covered through lease payment).
- Employer initiated child care centers will be open to the public but must establish an enrollment process that recognizes a preference for City staff first and establishes a minimum number of spots for City staff.
- Employee usage costs will not be subsidized by the City.
- All operating decisions concerning the child care center will be solely the responsibility of the operators. The City may try to influence flexible options such as part-time, extended hours, or weekend service where it is advantageous to City staff.

The decision to provide City owned or leased space for child care will be based on the merits of a detailed business case that will at a minimum include:

a. Employee/User Needs Assessment: A detailed, location specific, needs assessment including a review of current and near term future demographics and location specific employee survey.

b. Current and Forecasted Available Supply of Options: A review of current providers (market supply) within an area to establish need.

c. Financial Viability Assessment: This assessment includes but is not limited to:

- Establishing a target lease rate.
- Assessing whether the target lease rate can adequately recover City operating and capital cost.
- Assessing the sustainability of the venture.

d. Operator Readiness Assessment: For all projects, assess the degree of certainty that a third party operator can be secured for newly built facilities.

Next Steps

a. All new construction of City facilities will be assessed using the established principles to determine the feasibility of including employee child care facilities.

b. A feasibility review of existing City facilities for child care at or near the facility will be undertaken prior to the 2019-2022 Capital Budget.

- c. The City may explore the option of leasing space in areas where a suitable City owned building or new construction option is not available or viable.
- d. Administration will prepare a Directive based on these principles.

Corporate Outcomes

This report supports the Conditions of Success as noted in *The Way Ahead*. Specifically, it contributes to Organizational Capacity by creating a progressive work environment that will attract and retain talented staff.

Budget/Financial Implications

Ultimately, the decision on whether to proceed or not will be based on a detailed review of each specific business case, and the financial model that accompanies it.

Others Reviewing this Report

- R. G. Klassen, General Manager, Sustainable Development
- L. Cochrane, General Manager, Community Services
- T. Burge, Chief Financial Officer and Treasurer
- D. Wandzura, General Manager, Transportation Services