

## A solution for child-care nightmare?

*Child-care benefits in high demand by gen X, Y – countrywide service guarantees employees a spot*

BY AMANDA SILLIKER

**CENTRAL 1** Credit Union has seen a spike in maternity leave over the past few years. And when women started coming back to work, they were concerned about finding child care, says Diana Chan, associate vice-president of HR at Central 1 in Vancouver. So she decided to look into offering a day-care benefit to her employees and settled on a corporate membership with daycare organization Kids and Company.

"It fit a very niche need within our benefit package that aligned really nicely and allowed employees new options for child care," says Chan, whose organization has 560 employees in Vancouver, Toronto and Mississauga, Ont. "And it's a national benefit that we can offer and all our employees can access — it's not specific to one location."

Kids and Company has 35 daycares — with plans to reach 40 by the end of the year and 50 by 2012 — in 14 cities across Canada. The company's mission is to create better work-life balance for corporate employees.

For a \$5,000 annual fee (\$10,000 for membership to any daycare across the country) employers have access to guaranteed child-care spots for employees.

"We're kind of like a GoodLife Fitness or Costco — we build all across Canada and you have a membership in order to join," says Victoria Sopik, CEO of Kids and Company, who co-founded the Toronto-based company with Jennifer Nashmi in 2002.

Employees who are interested in signing up for the daycare pay about \$50 or \$60 per day, depending on the location.

And for \$350 per year, employees have access to 15 days of emergency backup

child care for children up to age 13. This can help parents handle a variety of unexpected situations such as a sick nanny, late enrolment in a summer camp so a child misses the first day or a school closure, says Sopik.

"It's insurance. You hope you don't have to use it but when you do, you're very glad you have it," says Chan. "It's a site where the due diligence has been done, you can ask co-workers to give you referrals... as opposed to phoning a stranger and asking them to come look after your child."

Kids and Company is an option for organizations that want to offer child-care benefits to employees but don't want the hassle of operating an on-site daycare. Many employers don't want to deal with the associated costs, potential liability and operational concerns of an on-site daycare, says Sopik.

And an on-site facility may actually end up being more inconvenient for employees, says Chan.

"What if you didn't work Fridays but you still wanted daycare for your child? You would have to drive all the way to your place of work and then home," she says. "And only one member of the family may be employed by Central 1 so (Kids and Company) gives the option of a location that can meet both spouses' needs."

Kids and Company also offers professional in-home elder care with a range of support services across the country. With the aging population, more and more employees are dealing with elder-care issues and a problem can spring upon them at any time — potentially causing just as much stress as child care, says Chan.

"Companies and HR people really like the fact that we have elder care because

that solves the equity problem," says Sopik. "And the equity problem is, 'Why are you offering the benefit when there are people that don't have children?' but everybody has parents."

Offering a child-care benefit to employees can help organizations recruit new talent, says Sandra Reder, president and founder of Vertical Bridge Corporate Consulting in Vancouver. Generations X and Y will soon make up the majority of the workforce and, because they are "super focused" on work-life balance, they are going to be seeking organizations that help them achieve that, she says.

"In the next 10 years, when all the boomers are retiring, gen Y is going to be having kids so employers need to care about this," says Reder. "And if they do, the benefit will be they will attract the people they need and be able to give them a work environment where they won't need to worry about where they're putting their children."

One of the biggest challenges surrounding child care is not only paying for it but finding it, so offering a benefit that guarantees them a spot (such as Kids and Company) will be of great value to potential candidates, she says.

It also serves as a powerful retention tool, says Sopik.

"It's a very concrete message to employees, 'Yes, we do care about work-life balance,'" she says. "And if they stop working for the company, they have to take their child out of child care and most people don't want to do that."

Helping employees with child care can positively impact productivity. When employees are concerned about child care, their stress levels increase and they are ul-

timately less productive, says Reder. If they are working with the employer on child care, it can ease a lot of the stress because there is a collaborative approach with more of an overall understanding, she says.

“If the employee knows they’re in partnership with the employer, they will be 100 times more productive,” says Reder. “Even if they have to take off for half a

day, they’re so grateful they’re supported in that, they’re going to probably come back and give 150 per cent.”

Employers need to start focusing on offering child-care benefits to employees if they want to keep women in the workforce, says Reder. Many women are having children and then choosing not to go back to work because there is no cost benefit

for them to do so — with 75 per cent of their take-home pay going to child care, she says.

“I think it’s going to become almost a crisis,” says Reder. “If we’re losing these women that are having children and not going back to work, that’s a whole other demographic we’re going to lose in the skilled labour force.”