

Could free, after-hours child care be a possibility for restaurant workers?^[1]

West~bourne's Camilla Marcus is giving it a go

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Source: Eater

Format: Article

Publication Date: 18 Oct 2019

AVAILABILITY

Access online^[2]

EXCERPTS

There may be a solution on the horizon for strapped restaurant-world parents and the people who employ them. Camilla Marcus, the owner of Soho cafe West~bourne, teamed up with a new venture-backed child care center Vivvi to offer her employees fully subsidized child care from 7 a.m. to 2 a.m. It's a striking new employee benefit as parents across America struggle with the rising costs of child care and as restaurant owners face an ever-tighter labor market.

By any metric, child care in America, and by extension, New York City, is unaffordable. Arranging and paying for it is even harder for restaurant industry employees who work nontraditional hours, pull irregular shifts, and are often not paid enough to live close to their workplaces.

Traditional day cares maintain hours considered draconian even to their white-collar clientele, and full-time nannies are out of reach for many hourly workers, leaving many in the hospitality industry to rely on a patchwork unlicensed or family-based support.

When Marcus opened her restaurant last year, she quickly realized child care was one of the greatest challenges facing her employees. Star workers kept missing shifts due to child care falling through. Even employees given 9 a.m. to 5 p.m. shifts would struggle when a family member couldn't watch their kids without warning.

"This is important if we're thinking about building a strong middle class and building a team and investing where it matters most," she says. "Health care doesn't matter if you can't keep your job. Family leave doesn't matter if you can't come back to work."

She started researching options around New York and discovered none of the "incumbents," established players like Bright Horizons, were willing to offer later hours for workers because "they don't have to accommodate needs outside corporate America," says Marcus. Meanwhile she reached out to restaurant industry contacts around the country and found no child care models within restaurant groups, save one chain that offered at-home babysitting assistance.

Dana Cowin, the restaurant-world figure and consultant, connected her to a city official who connected her to Vivvi's founders, Charlie Bonello and Ben Newton. The pair comes from the world of education, finance, and real estate, and they hope to open child care centers that can offer employer-subsidized care with flexible hours for the "modern-day" parent who doesn't work 9-to-5-hours.

Vivvi has one location, at 75 Varick Street, which opened this spring; it can accommodate 90 children. Expansion, however, is in the works. The company is taking over the Trinity Preschool downtown, which is set to open next year with a capacity for 130 kids. Other employer partners include law firms, health care providers, and Horizon Media.

Here's how it works: Employers sign up for a minimum of 100 credits, each worth one day of care, and can distribute credits to employees. Instead of committing to a certain schedule, employees can use the credits at will, meaning they can use it every day or just as emergency or backup child care or just when a shift changes. They don't have to be locked into a schedule.

Credits cost the employer around \$200 each, but the real cost ends up closer to \$50 to \$75 when tax incentives — including the Federal Credit for Employer Provided Child Care Services, around since 2001, and a new state law going into effect in 2020 — are factored in. Vivvi promises to help employers file for the credits.

Marcus says she worked the cost into this year's budget knowing it was a priority. She says that especially in this labor market, the cost of turnover is much more expensive than the costs of benefits that only a select group of staff, which now numbers 30, will use. "Hiring someone new cost three times the amount of keeping someone," she says.

Though Vivvi doesn't have other restaurants signed up yet, there is a need for child care in the restaurant industry. According to a recent ROC study, 200,000 parents in New York State work in the restaurant industry, and 45,000 of them are single mothers. Nineteen percent of the state's restaurant workers live in poverty. Many in the study complained about the safety of their nighttime child care situation, the

inconsistency of their schedules, and the costs, which ate up an average of 35 percent of earnings.

“We wanted to align with parents with unpredictable needs,” Charlie says. “The people who suffer the most are the ones who need it the most.”

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