

Child care a rare employee perk in Canada [CA] ^[1]

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Source: Canwest News Service

Format: Article

Publication Date: 29 Oct 2008

AVAILABILITY

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EXCERPTS

When it comes to what's hot and what's not in job perks, child-care expenses rank at the very bottom, a first-time survey of what Canadian employers are offering their workers reveals.

Only two per cent cover child-care expenses, compared with six in 10 who provide life insurance, the most popular perk, and the close to half who offer car allowances, according to the results of the survey by the Canadian Payroll Association, released Friday.

While child-care expenses are covered by just two per cent of employers, it's not because the benefit is unpopular but rather that it is a relatively high cost benefit, explained Steven Van Alstine, the payroll association's vice-president of compliance programs and services.

The perks that are offered are not just what the employees want but what employers can afford, and child-care expenses would be an expensive one, he said in an interview.

"The people that tend to benefit most from child care are the people that can afford it less who tend to be people that aren't in management or executive roles where commonly more expensive benefits are provided to the employee," he said.

"If an employer were going to provide child-care benefits to their employee population it would be something that would have to be provided to all employees and would be very costly for the organization."

"I think employers are trying to offer benefits that are more tangible and more available to all employees," he said, noting that governments do provide some child-care assistance as well.

The revelation that so few employers cover child-care expenses, coming on the eve of an expected election call, could rekindle what was a major issue in the last election and one that was seen to most clearly separate the main federal parties.

The winning Conservative minority government ran on its commitment to provide child-care payments directly to parents and tax credits to businesses rather adopting the former Liberal government's plan to provide child-care subsidies through the provincial governments.

While employers have been slow to expand their perks to child-care expenses, Van Alstine said they are providing more perks than in the past.

"As companies scramble to attract and retain skilled workers in a market characterized by an aging workforce and increasing labour shortages, they are becoming very creative in designing new employee perks in order to compete," the association said in releasing the results of what it said is the first survey of what perks employers offer and the ranking of 39 of them, all of which are taxable, in terms of their popularity.

Canadians continue to place a high value on financial protection, with group term-life insurance, offered by 61 per cent, and disability benefits by 42 per cent being among the most popular perks, the report on the survey results said. But also at the top of the list are tuition fees, provided by 42 per cent and professional membership dues by 39 per cent.

"What this says is that Canadian workers appreciate professional development opportunities," said the association, which helps employers administer benefits. "They want to continue to learn and grow on the job."

The second most popular perk is car allowances offered by 46 per cent.

"Drivers are very aware of rising gas prices and insurance premiums, and a benefit that offsets some of this pain is very attractive," it added. "In the future, we'll probably see transit passes being offered more and more as gas prices continue upward and employees want to work for 'green' companies'."

That 21 per cent also offer counselling for employees suggests it's something employers and employees also place a relatively high importance on, it noted. As well, it suggests employers are recognizing the detrimental effects of a stressful work environment and are taking steps to counter it.

Another popular perk is employer-paid RRSP premiums, offered by 28 per cent, which have replaced pension plans in many workplaces.

Stock options, while only offered by eight per cent of employers, are also growing in popularity in publicly traded companies, it said, noting they are used as a way to reward employee performance and get them to buy into the employer's business objectives.

- reprinted from the Canwest News Service

Region: Canada ^[2]

Tags: workplace child care ^[3]

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