

Few companies offer daycare services for staff, despite benefits

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It was supposed to help companies create 5,000 new workplace daycare spaces every year, but a federal tax credit announced eight years ago has fizzled.

The tax credit, part of the Conservative party's platform in 2006, has had so little uptake, the Harper government would not say how many spaces were created or the total cost.

"We are obliged to protect the confidentiality of our tax filers' information, and there are not enough businesses claiming the credit for us to be able to release the information and still maintain that confidentiality," said a spokesperson for the Canada Revenue Agency by email.

The Conservatives promised to spend \$250 million over five years on the credit. But, annual federal finance documents from 2007 on say actual spending on the tax credit was too small to bother reporting.

When it was announced in the 2007 budget, the credit was overshadowed by the creation of the universal child-care credit, the monthly cheque mailed to parents that has become the hallmark of Prime Minister Stephen Harper's child-care plan.

The little-known corporate tax credit gives businesses a non-refundable credit equal to 25 per cent of the capital cost of building each new daycare space, up to a maximum of \$10,000 per space.

"It was a flop," said Pat Wege, executive director of the Manitoba Child Care Association.

Wege and several other local child-care experts could not point to a single daycare space in Winnipeg created by the tax credit. In fact, Winnipeg has fewer than 10 workplace daycares -- at the University of Winnipeg, at several hospitals and at Manitoba Public Insurance. Only two are attached to private businesses.

The Kid Gloves daycare at Western Glove Works -- owned by Bob Silver, who is also a co-owner of the Winnipeg Free Press -- has 48 spaces. It began as a daycare to serve staff at Western Glove, though few staff there still have children in the centre.

And, there's the Canadian Wheat Board daycare, called Bumper Crop, started by employees more than 20 years ago when the wheat board was still a government agency. Following a divisive national debate, the Harper government dissolved the board's monopoly on grain marketing three years ago, and the remnant of the CWB is now in the process of privatizing. The company's downtown office tower was recently sold, putting the daycare in jeopardy. For years, the 40-space daycare has enjoyed free rent in the Main Street highrise and was treated essentially as a regular wheat board department. With the building sold to Calgary-based Hopewell Development, the centre's rent-free status is in limbo.

Wege and other daycare experts say commercial rents, especially downtown, make on-site daycares a financial impossibility without direct, annual subsidy by an employer. Many employers might be willing to put up the capital costs needed to retrofit a daycare, but ongoing operating costs are a tougher sell, despite the impact on employee productivity.

And, said Wege, a workplace daycare usually requires a determined partnership between bosses and employees, all willing to cope with the huge red tape around setting up a child-care centre. That includes doing a needs assessment, working out the finances, fee caps and grants with the provincial government, navigating very complex building codes and zoning rules and creating a non-profit board. That's a slog for volunteers, said Wege.

Diana Wiesenthal, the wheat board's former vice-president of people and organizational services, said starting Bumper Crop took five years, discussions with five different city departments and complex negotiations over funding, building requirements and the transformation of a city lot behind the building into a small lot for the kids. The push for a staff daycare was met with some internal resistance, but had the support of a senior executive, which was critical.

Bumper Crop turned out to be a key recruitment and retention tool, and made workers, especially women, more productive, said Wiesenthal. It allayed the anxiety of new parents returning to work, who could pop down at lunch to spend time with their child. It saved

staff time otherwise spent on the road between doctors appointments and far-flung daycares. The presence of children, often seen in the elevator or heading to the tot lot, broke the ice with international customers who arrived for high-level meetings and sparked a lot of laughs.

When the centre opened, Wiesenthal's son was three years old. She was able to commute to work with him and take him out for ice cream on her lunch break.

"It was the best time of my life," said Wiesenthal. "It was a culture-changer for the organization."

Several city hospitals, including the Concordia and the Grace, have small on-site daycares. Racquel Giesbrecht, director of the Health Sciences Centre's 46-space daycare, called Children at the Centre, said pharmacists, nurses, doctors, administrators and medical students all vie for a spot in the centre, which has a years-long waiting list.

Giesbrecht said the on-site daycare has served as a key recruitment tool, where parents are encouraged to visit during their downtime.

"HSC has been amazing," said Giesbrecht. "They treat us like gold."

Region: Canada [3]

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