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# Workplace Day Care Centres

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# Workplace Day Care Centres

## Policy objective

To assist employees who are parents and need day care to pursue careers in the Public Service.

## Policy statement

It is the policy of the employer to establish workplace day care centres where such centres are financially and operationally practicable.

## Application

This policy applies to all departments and other portions of the Public Service listed in Part I of Schedule I of the *Public Service Staff Relations Act*.

## Policy requirements

### General

1. The following conditions apply to every workplace day care centre (hereafter referred to as centre).
  - 1.1 A centre must be associated with a lead department or a group of user departments -in which case one department must be chosen as the lead department -whose employees work in or near the workplace in question.
  - 1.2 The total number of actual or proposed centres, including the one under active consideration, in the municipality or census subdivision as set out in the Geographic Location Master File (see references), must not exceed one for every 4,000 employees.
  - 1.3 The centre must have the capacity to accommodate at least 30 children.
  - 1.4 A centre must attempt to operate with all or most of its capacity used by children of employees. After the initial five years of operation, the rental subsidy calculation will be based on the percentage of children of employees using the centre. (See appendix B)
  - 1.5 A centre must cost the employer no more than \$400,000 (1991 dollars) to fit up the space it will occupy.
  - 1.6 Before the fit-up of a centre, employee-parent volunteers must form a non-profit day care centre corporation (hereafter referred to as corporation) in accordance with the legislation that applies in the area where the centre will be located.
  - 1.7 A centre must be entirely financially self-supporting, except for the federally subsidized fit-up and rent at full market rates, described in this policy. Federal funds will not be available for centres in financial difficulty.
  - 1.8 Fit-up, rent and wrap-up costs must come from the existing financial resources of the relevant department(s). (See policy requirement 2.4)
  - 1.9 A centre must strictly observe all the provisions of its licence agreement with the custodian department. (See policy requirement 3.6)

### Lead department

2. The lead department must do the following:
  - 2.1 Interested deputy heads reserve the option to proceed with the establishment of a centre by writing to the secretary of the Treasury Board.

The ten available options for new centres will be allotted on a "first come, first served" basis. Each option expires within six months unless the deputy minister writes to the secretary within that period, indicating that as a result of the economic viability assessment, a centre will be established. (See policy requirement 2.4)
  - 2.2 Ensure that:
    - No other actual or proposed centre already serves any of the identified federal work force;
    - Requirements 1.2 and 1.3 are met.
  - 2.3 Survey the identified federal workforce, including determining the official languages needs of interested employees (i.e. English, French, bilingual) and conduct a thorough financial analysis to establish whether current and future demands are sufficient for a centre to be viable.

2.4 Where the deputy head is satisfied that a centre is financially viable and that the department is willing to be the lead department, he or she advises the appropriate custodian department and the Secretary of the Treasury Board that the department agrees to:

- be financially responsible for the fit-up of a centre;
- cover the costs of preparing space for a new tenant should the centre close in the future; and
- transfer to the custodian enough money to cover the rental subsidy or capital construction costs, where appropriate.

In the case of a group of departments, each deputy head must 'viability and agree to 'share of the money.

2.5 Compile and submit data for evaluation purposes as set out in appendix C.

## **Custodian department**

3. The custodian department responsible for the worksite must:

3.1 determine whether an operationally practicable location for a centre exists;

3.2 board and the lead department, identify an economically suitable location within or near a federal workplace for which fit-up costs will not exceed \$400,000 (1991 dollars) and plan the fit-up of the centre;

3.3 ensure that the fit-up complies with the legal requirements for licensed day care centres in the area where the centre is to be located;

3.4 ensure that the centre is accessible to parents and children with disabilities;

3.5 verify that the corporation has received the appropriate provincial or municipal licences or both; and

3.6 in entering into a licence agreement with the corporation for the use of the space allocated to the centre, obtain legal advice with respect to the proposed agreement on matters relating thereto, including the issues of liability and of ensuring conformity with this policy. The agreement must include provision for: payment of rent by the corporation of not less than that set out in appendix B and, if applicable, meeting the language requirements in appendix D.

## **Day care centre corporation**

4. Before the custodian department enters into any obligations for the fit-up of a centre, the corporation must:

4.1 ensure that the centre meets all the requirements for a provincially or municipally licensed day care centre other than the fit-up requirements for which the custodian department is responsible;

4.2 enter into a licence agreement with the custodian department for the use of the space allocated to the centre;

4.3 within the licence agreement, undertake to pay for utilities, cleaning and operating costs of the centre (excluding structural maintenance); and

4.4 undertake to fulfill the requirements for the collection of data set out in appendix C and to submit the data to the lead department.

## **Monitoring**

In monitoring a department's administration of this policy, the Treasury Board Secretariat will determine, in conformance with data collected as outlined in appendix C, the extent to which children of employees are using the centre.

## **References**

- A Model for a Demand Survey and Economic Viability Study (available from the departmental officers responsible for the policy)
- Fact Sheet on Existing and Proposed Workplace Day Care Centres (available from the departmental officers responsible for the policy)
- Information and Referral Services for Child Care Policy
- Geographic Location Master File, Supply and Services Canada (available through departmental personnel offices or from the Personnel Systems Group, Information Services Directorate, SSC).

This chapter replaces chapter 18 of PMM volume 4.

## **Enquiries**

Enquiries relating to this policy should be referred to the responsible officer designated in departmental/organizational headquarters, who in turn may direct questions regarding interpretation to the Human Resources Branch of the Treasury Board of Canada Secretariat.

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## Appendix A - Definitions

**custodian department** (*ministère qui a la garde*)

for a worksite is the department responsible for the administration and control of the real property in question;

**fit-up** (*aménagement*)

federally subsidized fit-up, for the purposes of this policy only, includes:

- basic wall structures (painted);
- a landscaped exterior with proper enclosures (fences);
- kitchens, including sinks, cupboards and counters;
- washrooms;
- appropriate lighting and ventilation and
- water and hydro connections (*aménagement*);

**lead department** (*ministère principal*)

is the department responsible for meeting the requirements of section 2 of this policy. If a number of user departments are interested in sharing the services of a single workplace day care centre, a lead department must be selected from the group;

**municipalities or census subdivisions** (*municipalités et les subdivisions de recensement*)

are those used to code the geographic locations of employees;

**parent** (*parent*)

includes guardian;

**user department** (*ministère usager*)

refers to a single department or group of departments whose employees have indicated an intention to use a centre. Funding arrangements are determined by the user departments involved (paragraph 2.4);

**wrap-up costs** (*coûts de remise à neuf*)

are those associated with preparing the space for a new tenant, should the day care centre close.

## Appendix B - Federal rent subsidy calculation

Since a workplace day care centre is intended to assist employees, it must attempt to operate with all or most of its capacity used by children of employees. However, in the initial 'operation, Public Service demand may not be sufficient to fill the required spaces.

In recognition of these factors, new day care centres created under the permanent policy will receive the full employer rent subsidy for the first five (5) years of operation, as follows:

### 1. Grace period

The percentage of usage of facilities by children of Public Service employees during years 1 and 2 of the day care 'operation is not taken into consideration.

### 2. Monitoring period

Over years 3, 4 and 5, day care centre corporations monitor the percentage of their facilities being used by children of Public Service employees, in anticipation of the rent reduction formula which comes into effect at the beginning of year 6. Day care corporations should target to achieve a three-year running average of 70 per cent occupancy by children of Public Service employees over this time.

At the beginning of year 6 and of every year thereafter, the day care corporation calculates the average percentage of the 'usage by children of Public Service employees over the previous three years.

When the three-year average works out at 70 per cent or above, the full employer rent subsidy is maintained. When the three-year average is below 70 per cent, the rent subsidy is reduced in proportion to the percentage of space used by children of Public Service employees (please consult chart).

The amount of rent equivalent to the percentage of the rent subsidy reduction will be payable by the day care corporation on the first day of the third month of the new year, starting in year 6.

A centre that has a proportion of usage by the children of employees of less than 20 per cent receives no subsidy.

**Rent subsidy table (Three year average)**

**Percentage federal employee children Percentage rent subsidy reduced by: Percentage employer rent subsidy:**

69	2	98
68	4	96
67	6	94
66	8	92
65	10	90
64	12	88
63	14	86

62	16	84
61	18	82
60	20	80
59	22	78
58	24	76
57	26	74
56	28	72
55	30	70
54	32	68
53	34	66
52	36	64
51	38	62
50	40	60
49	42	58
48	44	56
47	46	54
46	48	52
45	50	50
44	52	48
43	54	46
42	56	44
41	58	42
40	60	40
39	62	38
38	64	36
37	66	34
36	68	32
35	70	30
34	72	28
33	74	26
32	76	24
31	78	22
30	80	20
29	82	18
28	84	16
27	86	14
26	88	12
25	90	10
24	92	8
23	94	6
22	96	4
21	98	2

## Appendix C - Policy evaluation data requirements

Annual data a corporation must compile and submit to the lead department

- The capacity of the centre, by age group of children.
- The schedule of monthly fees, by age group of children.
- The age and months of enrolment of every child enrolled during the year and the names, work addresses and phone numbers, and federal employer departments (or the name of the employers if other than a federal department) of both parents, if applicable.
- The reason any child withdraws from the centre during the year.
- Any comments or concerns, including official languages, of the corporation about the policy.

Annual data a lead department must compile and retain

- All annual data from the centre.
- Employee identification numbers for all employees reported by the centre as having used the centre. These numbers are to be integrated into the data submitted by the day care corporation.
- The average annual percentage of the centre's capacity used by children of employees (number of months of enrolment of children total number of months of enrolment of all children) x 100.

Annual data a lead department must submit to the custodian department

- The average annual percentage of the centre's capacity used by children of employees.
- Any comments or concerns of the corporation about real property matters.

Annual data a lead department must submit to the Treasury Board Secretariat

- The actual capacity of the centre, by age group of children.
- The schedule of monthly fees, by age group of children.
- Any comments or concerns of the corporation about the policy.
- The average annual percentage of the centre's capacity used by children of employees.

## **Appendix D - Official languages**

The licence agreement with a workplace day care centre corporation whose centre is in a federally owned or leased building in the National Capital Region, Montréal (defined as a Metropolitan Area in the census), Moncton, Sudbury, and other locations that the Treasury Board may determine under special circumstances shall include the following clause:

The workplace day care centre shall provide the following:

1. staff that is capable of communicating with parents and delivering the day care program to the children in either official language; and
2. written information in both official languages about its operations, including its by-laws, rules, and regulations.