

Child care key to employee retention

Lack of services keeps best-educated generation of women from using skills fully

In B.C.'s hot economy, headlines bemoan dramatic labour shortages as businesses scramble to attract competent staff. Our aging population and historically low birthrate are painting a grim picture of future economic slowdown. Women's participation in the economy is growing in importance, and employers are increasingly concerned about retaining female employees.

Young women have been excelling in higher education in the last few decades, often being the majority in graduating classes from professional schools. For a while, women were also progressing to executive positions in business. Unfortunately, that progress has been reversed over the past decade.

Further, we see many women leaving the traditional practice of their professions to seek more genial work environments, just as they enter what should be their most productive years. It is not coincidental that women are having fewer children, later in life, than in the past.

Why are families deferring parenthood? What is keeping the best-educated generation of women in our history from using their skills and education fully? The answer, I believe, lies in the current lack of quality child-care services.

The second most common reason for leaving the workforce is to raise children. Women are nine



COMPETITIVE EDGE

Janet Austin

times more likely than men to report that child-care responsibilities preclude their full-time work. Parenthood is enormously important, but we have not learned to share responsibilities equally among parents nor have we, as a society, acknowledged the well-researched lessons of neuroscience and economics.

Neuroscience tells us that our brains are twice as active at the age of three than they are when we are mature adults. The period from birth to age six is the most sensitive time for brain development with the maximum refinement of our capacities in emotional control, language, vision and hearing occurring before age four.

If conscientious and well-informed parents are going to achieve their maximum career potential, they need to know that their children's developmental needs are being met in quality care environments. Further, if young couples are given some certainty around the ready availability of quality child care, they will not have to defer parenthood until they can save enough to survive on one income or limited "under" employment for the care-giving spouse.

A recent report by **Goldman Sachs** says that "reducing gender inequality could play a key role in addressing the twin problems of population ageing and pension sustainability. In countries where it is relatively easy for women to work *and* have children, female employment and fertility *both* tend to be higher." It emphasizes the importance of subsidizing child care to narrow the gender employment gap and highlights 30 women-serving companies that have significantly outperformed global equities over the past 10 years.

Public funding for a universal child-care system – offering a range of options – is fundamental to addressing our labour force challenges and positioning B.C. as a leader in the global knowledge-based economy. It is essential to achieving B.C.'s goals as they relate to literacy, healthy living and supporting children and families with diverse needs.

The direct benefits to business are also clear. Labour supply increases. The cost of recruiting new employees – twice an annual salary – is saved. Productivity goes up, and absenteeism goes down.

Governments in Canada are in phenomenal fiscal shape, but Canada spends only about half what the United States and the United Kingdom do on

Many women are leaving the traditional practice of their professions to seek more genial work environments, just as they enter what should be their most productive years

early learning and care, as a percentage of GDP. The Scandinavian countries all spend five times as much, and are reaping the benefits in greater employability for all parents,

more taxes paid, enhanced child development and lower costs of welfare and social services.

Recent economic analysis commissioned by **YWCA Vancouver** confirms a two-to-one return on every dollar invested in quality child care. Nobel prize-winning economist **James Heckman** tells us that public investment in young children yields a higher return than almost any other economic initiative.

At YWCA Vancouver, we are proud to have achieved a 2006 employee retention rate of 94% – a spectacular result for a non-profit organization with a largely female workforce that compensates employees at the mid-point of the market. Our success is due to our commitment to fam-

ily friendly workplace practices, including priority access to our quality child-care facilities.

Individual businesses must learn how to design work environments that are friendly to mothers and parents in general. They also have a role to play in influencing governments to take quality child-care seriously as a means to help address the competitive challenges facing our province and our country. ■

As CEO of YWCA Vancouver, Janet Austin (jaustin@ywcavan.org) is responsible for one of B.C.'s largest non-profit organizations, serving 46,000 people annually in more than 30 locations in Metro Vancouver. She currently serves on a Blue Ribbon Council on Vancouver's Business Climate.