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Please direct any enquiries to the
Advisor, Owner/Investor Directorate (613) 736-2195.*

AMA: 8.11 WORKPLACE DAY CARE CENTRES POLICY

DATE 28/08/89

REAL PROPERTY SERVICES BRANCH

OFFICE ACCOMMODATION SERVICES

VOLUME 8 - ASSET MANAGEMENT

[Français](#)

PURPOSE:

The purpose of this Best Practice is to clarify the responsibilities of Public Works Canada (PWC) as a custodian under the new Treasury Board Policy on Workplace Day Care Centres.

BACKGROUND:

Treasury Board, at its meeting of 20 June 1991, approved its policy for workplace day care centres. Under this policy, Departments can establish a day care centre where the demand justifies the need and makes such a venture economically viable. A maximum of 10 centres will be phased in over a 5 year period. The responsibility for the policy rests with the employing department, not the custodian for the worksite. However, the custodian has certain responsibilities under the policy. Where Public Works Canada (PWC) is the custodian for the worksite, it will be responsible for identifying, in conjunction with the lead department and Day Care Corporation, a suitable location for the day care centre and entering into a License Agreement with the Day Care Corporation approved under the policy. The custodian must also ensure that the centre is accessible to parents and children with disabilities and verify that the Corporation has received the appropriate provincial or municipal licences or both.

BEST PRACTICES:

DEFINITIONS:

For PWC purposes, fit-up is defined as all costs normally attributed to the fitting up of space for a day care, including fees. Wrap-up costs are defined as those costs, including fees, associated with preparing the space for a new tenant or returning the leased space back to its original condition, should the day care centre close. The rental subsidy is defined as the portion of the full market rent paid by the lead department to PWC, which is 100% for the first five years and thereafter will vary depending on the rental subsidy calculation as set out in Appendix B of the Workplace Day Care Centre Policy.

LICENSE AGREEMENT:

The License Agreement should in all instances be vetted through Justice Canada within the regional PWC office prior to signing by both parties (PWC and the Day Care Corporation). The region will update this generic agreement with site specific data such as dates, site, rental rate, and services provided prior to signing the agreement. Pursuant to subsection 18 of the Public Works Act, two signatures are required on the License Agreement on behalf of PWC and

this delegation is in accordance with the Handbook of Authorities.

PILOT DAY CARE CENTRES:

Pilot day care centres created prior to the approval of this policy, with the exception of National Film Board (separate employer), will come under the policy upon the expiry of their current License Agreements. Where an existing arrangement differs from the policy, the policy must be respected. Disputes regarding the pilot day care centres may be resolved through the PWC dispute resolution process. If this does not resolve the dispute then it will be forwarded to the policy authority, Treasury Board Secretariat, for resolution.

FINANCIAL RESPONSIBILITIES:

Public Works, as custodian for the worksite, should not incur any incremental costs as a result of the implementation of this policy. Federal financial responsibility is limited to fit-up, wrap-up and a rental subsidy and must come from within existing reference levels of the lead department. PWC must advise the lead department of all costs associated with the delivery of space for a day care centre. These costs will have an impact on both the economic viability study of the lead department as well as their ability to fund the resources necessary for the delivery of space for a day care centre.

Major repairs or other expenditures incurred as a direct result of the operation of a day care centre is the responsibility of the day care centre and the provision for the collections of such expenses should be included in the License Agreement.

Both reimbursing and non-reimbursing tenants must pay the rental subsidy in all facilities where the day care is located. This is to be completed via a funding transfer from the lead department to PWC through the MYOP or via a direct payment from the lead department to PWC until the MYOP transfer can be effected. The space occupied by the day care centre must be identified in a separate occupancy instrument (OI) signed with the lead department. The (OI) should clearly identify the market rents to be remitted by the lead department to the custodian and that the space occupied is, in fact, a day care facility. The category of the space occupied by the day care facility will be provided by Realty for purposes of the OI or FIS. For invoicing purposes, a new client number on the FIS/FMS system will have to be created for non-reimbursing tenants, as required.

REFERENCES:

- Treasury Board Policy on Workplace Day Care Centres (Annex A)
- Generic License Agreement (Annex B)
- Questions and Answers Prepared by Accommodation, HQ, on the role of PWC as Custodian (Annex C)
- Workplace Day Care Centre Options Allocated (Annex D)
- Provincial Offices Responsible for Day Care (Annex E)

ENQUIRIES:

Enquiries from Tenant Departments on operational issues resulting from the implementation of the policy should be directed to the Regional Director Accommodation.

Issues, raised by either the Region or a Tenant, requiring direction and guidance with respect to either the Workplace Day Care Policy or Generic License Agreement should be forwarded to Vivien St. George, the policy analyst for day care, Asset Management, Headquarters, (613) 736-2183.

Treasury Board Secretariat (Personnel Policy Branch or Bureau of Real Property Management) should be consulted, as required, for government-wide policy interpretation and direction.

T.B. - 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. 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.
 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.
 3. The centre must have the capacity to accommodate at least 30 children.
 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)
 5. A centre must cost the employer no more than \$400,000 (1991 dollars) to fit up the space it will occupy.
 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.
 7. A centre must be entirely financially self-supporting, except for the federally subsidised fit-up and rent at full market rates, described in this policy. Federal funds will not be available for centres in financial difficulty.
 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)

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:

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. 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.

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.

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 be satisfied with the centre's viability and agree to transfer his or her department's share of the money.

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:

1. determine whether an operationally practicable location for a centre exists;
2. in consultation with the corporation's 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. 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;
4. ensure that the centre is accessible to parents and children with disabilities;

5. verify that the corporation has received the appropriate provincial or municipal licences or both; and
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:
 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;
 2. enter into a licence agreement with the custodian department for the use of the space allocated to the centre;
 3. within the licence agreement, undertake to pay for utilities, cleaning and operating costs of the centre (excluding structural maintenance); and
 4. undertake to fulfil 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 (TBM Human resources volume, chapter 4-3)
- 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 about this policy should be referred to the responsible departmental officer who, in turn, may direct questions to:

Workplace Day Care Policy Analyst General Personnel Policy Development and Compensation
Division Personnel Policy Branch Treasury Board Secretariat

APPENDIX A DEFINITIONS

- **fit-up** federally subsidised 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);
- **wrap-up costs** are those associated with preparing the space for a new tenant, should the day care centre close (coûts de remise à neuf).
- **lead department** 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 (ministère principal);
- **custodian department** for a worksite is the department responsible for the administration and control of the real property in question (ministère qui a la garde);
- **user department** 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) (ministère usager);
- **municipalities or census subdivisions** are those used to code the geographic locations of employees (municipalités et les subdivisions de recensement);
- **parent** includes guardian (parent);

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 years of a workplace day care centre's 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 centres' 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 facilities' 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

APPENDIX C POLICY EVALUATION DATA REQUIREMENTS

1. 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.

2. Annual data a lead department must compile and retain

- All annual data from the centre.
- Employee identification numbers for an 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 employees' children + total number of months of enrolment of all children) x 100.

3. 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.

4. Annual data a lead department must submit to the Treasury Board

- 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, Montreal (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.

ANNEX B LICENCE TO OCCUPY CROWN LANDS

THIS LICENCE made in duplicate on the _____ day of A.D. 1992.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF CANADA
(hereinafter referred to as "Her Majesty"),

OF THE FIRST PART

and

(hereinafter referred to as "the Licensee")

OF THE SECOND PART

WHEREAS Her _____

Majesty is represented herein by the Minister;

AND WHEREAS the Licensee has been granted a licence pursuant to _____ permitting it to operate a day care facility at _____

AND WHEREAS pursuant to Section 3 of the Public Lands Leasing and Licensing Regulations and Treasury Board Minute no. _____, Her Majesty has agreed to permit the Licensee to operate a day care facility in the federal government building located at _____ and known as _____;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the fees to be paid and the covenants on the part of the Licensee to be performed, Her Majesty grants to the Licensee an exclusive licence to occupy the licensed area in that portion of the federal government building described in Schedule "A" hereto for the purpose of operating a day care facility and for no other purpose whatsoever.

The Licensee covenants and agrees with Her Majesty as follows:

1. The Licensee acknowledges and agrees that this licence and permission hereby granted is not intended to and does not create an interest in land or confer any right to exclusive possession of the licensed area and the parties hereto agree that this licence creates an arrangement that is personal in nature only.
2. The licence is not assignable.
3. The term of this licence shall commence on the day of _____ A.D. 19__ and shall expire on the day of _____ A.D. 19__.
4. Subject to paragraph 5 hereof, the Licensee shall pay to Her Majesty the licence fee of dollars_____ (\$_____) by paying to the Receiver General for Canada the sum of dollars_____ (\$_____) on the day of each and every month during the term of this licence, the first of such payments to be made on the day of A.D. _____ 19__.
5. The fees payable by the Licensee pursuant to paragraph 4 hereof, shall be reduced in accordance with the Subsidy Reduction Formula contained in Schedule "B" hereto.
6. The Licensee's officers, employees, servants, agents, contractors and invitees shall have the right of access, ingress and egress to or from the licensed area during normal business hours and outside of such hours with the consent of the Security Officer through the door marked "Entrance" on the plan referred to in Schedule "A" hereto and the Licensee's officers, employees, servants, agents, contractors and invitees shall not have any right of access, ingress or egress to or from the licensed area through any other door except in the case of an emergency.
7. Her Majesty may provide space for the parking of one motor vehicle on a parking lot adjacent or proximate to the licensed area until the expiry or termination of this licence for a monthly fee equal to the monthly rate prescribed from time to time by the Treasury Board of Canada for employee parking on such parking lot, which fee shall be due and payable on the first day of each and every month during the term hereof.
8. The Licensee acknowledges that it has caused the licensed area to be examined before entering into occupation and agrees that the commencement of a day care facility in the licensed area shall constitute conclusive evidence that at the time of examination, the licensed area was in a satisfactory condition.
9. The Licensee agrees that there is no promise, representation or undertaking by or binding upon Her Majesty respecting any alteration, remodelling or decoration of, or installation of, equipment or fixtures in the licensed area except as expressly stated herein.
10. The Licensee shall make no alteration, addition or improvement in or to the licensed area without the prior written consent of the Minister which may be arbitrarily withheld and any such alteration, addition or improvement in or to the licensed area, shall be to the satisfaction of the Minister and shall remain the property of Her majesty upon the termination or expiry of this licence.
11. The Licensee shall not affix any sign, advertisement or notice to or near the federal government building referred to in Schedule "A" hereto, without the prior written consent of the Minister.
12. Her Majesty shall provide the following services to the licensed area at no charge to the Licensee:
 - a. heat,
 - b. light,
 - c. water,
 - d. air conditioning, if available, and
 - e. garbage disposal.
13. In the event that the services provided pursuant to paragraph 12 are interrupted or discontinued for whatever cause, the Minister shall use reasonable diligence to restore the same but neither Her Majesty nor the Minister

shall be liable to the Licensee for any interruption or for damage resulting therefrom.

14. The Licensee shall obtain and pay for telephone service to the licensed area.
15. The Licensee covenants to maintain at its own expense, the interior of the licensed area and every part thereof in good order and condition and to promptly effect all necessary repairs and replacements, reasonable wear and tear only excepted.
16. Paragraph 15 hereof does not extend to repairs to the roof, outside walls, doors, door hardware, floor covering, plumbing fixtures, heating and air conditioning equipment, parking areas except in the case of negligence by the Licensee, its agents, contractors, servants or invitees.
17. The Minister or his officials shall have the absolute right to enter the premises at any time.
18. The Minister may have pipes, wires, ducts or other installations installed, maintained or repaired in, under or through the licensed area for the purpose of supplying any service to any part of the building and the Licensee shall not be entitled to compensation for inconvenience, nuisance or discomfort occasioned thereby.
19. The Licensee shall notify the Minister promptly in writing, of any accident to or defect occurring in the water or drainage pipes, the heating apparatus, the air conditioning equipment, the electrical wiring or the premises generally or anything connected therewith; provided that unless otherwise provided herein, there shall be no obligation on the part of Her Majesty to remedy such defects.
20. Any damage resulting from failure to give the notice required by paragraph 19 shall be the responsibility of the Licensee.
21. Whenever and to the extent that Her Majesty shall be unable to fulfil or shall be delayed or restricted in fulfilling any obligation hereunder by any cause beyond Her control, Her Majesty shall be relieved from the fulfilment of such obligation during the period during which it shall be unable to fulfil or shall be delayed or restricted in fulfilling such obligation.
22. The Licensee shall not do or suffer any waste, damage, disfiguration or injury to the licensed area and shall not cause or permit any nuisance in or upon the licensed area.
23. The Licensee agrees to comply at all times with the Non- Smokers Health Act and the directives and policies of the Treasury Board of Canada respecting the use of tobacco products in or about the federal government building referred to in Schedule "A" and to ensure compliance with the said Act, directives and policies by all occupants of the said premises.
24. All installations, alterations, additions, partitions and fixtures, in or upon the licensed area whether placed there by the Licensee or Her Majesty, shall be the property of Her Majesty without compensation therefor to the Licensee and shall not be removed from the licensed area at any time either during or after the term of this licence.
25. The Licensee shall not place, or cause to be placed, any additional locks upon any door of the licensed area without the prior written consent of the Minister.
26. The Licensee covenants that no oil, gasoline or other fuel or other combustible material for heating, lighting or cooking and no stove, burner, electric heater, electric stove, dishwasher, air-conditioning unit or other apparatus for using such material or the electric current supplied to the licensed area shall be brought into the licensed area or used therein by the agents, servants, contractors or invitees of the Licensee except in accordance with the written approval of the Minister.
27. The Licensee shall at all times indemnify and save harmless Her Majesty from and against any and all claims, demands, losses, damages, costs, expenses, actions, suits or other proceedings by whomsoever made, sustained,

- brought, prosecuted in any manner based upon occasioned by or attributable to anything done or omitted or neglected to be done by the Licensee in its use and maintenance of the licensed area or arising from the public use thereof.
28. Throughout the term of this licence, the Licensee shall, at its own expense, secure and maintain comprehensive public liability insurance indemnifying the Licensee and Her Majesty from or against any claim for death, personal injury or property damage arising from any accident or occurrence in or upon the licensed area or the lands adjacent thereto, the limit of such insurance to be not less than dollars_____ (\$_____) in any one occurrence.
 29. Throughout the term of this licence, the Licensee shall, at its own expense, secure and maintain a policy of automobile insurance in an amount not less than dollars_____ (\$_____) covering all licensed vehicles owned or operated by or on behalf of the Licensee and any other form of insurance which Her Majesty may, from time to time require the Licensee to procure in amounts and for risks against which a prudent day care facility operator would insure.
 30. Every contract of insurance required to be maintained pursuant to the provisions of this licence, shall be placed with an insurance company approved by the Minister and licensed to carry on business as an insurance company under the laws of the Province of and shall include a provision requiring the insurer to give (30) days notice to Her Majesty before making any material change in the policy of insurance or the termination or cancellation thereof.
 31. The Licensee shall promptly supply the Minister with
 - a. a fully certified copy and
 - b. a certification of insurance confirming that all of the provisions required hereunder are included with respect to each policy of insurance required by Her Majesty to be effected under the terms of this licence.
 32. The Licensee agrees that if the Licensee fails to take out or keep in force the insurance referred to herein or, if such insurance is not approved by Her Majesty and if the Licensee does not diligently remedy such failure or lack of approval within forty-eight (48) hours of receiving written notice to do so, Her Majesty may effect such insurance at the Licensee's expense and all premiums payable therefor shall be paid by the Licensee forthwith without prejudice to any other right or remedy available to Her Majesty under this licence.
 33. The Licensee covenants that during the term of this licence and any extensions or renewals thereof, it will not do or permit any act to be done which may prejudice insurance coverage on the licensed area.
 34. Her Majesty shall not be liable for any injury or damage which may be suffered or sustained by the Licensee, its agents, servants, contractors or invitees unless such injury or damage is due to the neglect or default of Her Majesty's officers, servants or agents.
 35. The Licensee covenants to pay business and other taxes, charges, rates, duties and assessments levied in respect of the Licensee's occupancy of the premises or in respect of the personal property or business of the Licensee on the premises and to pay such taxes, charges, rates, duties and assessments as and when they become due.
 36. Where required, the Licensee shall provide
 - a. staff that is capable of communicating with parents and delivering the day care programme to children in either official language; and
 - b. written information about its operations including its bylaws, rules and regulations in both official languages.
 37. Upon the termination of this licence, the Licensee shall:

- a. immediately remove any or all chattels installed by it in the licensed area including kitchen appliances, furniture and playground equipment and leave the licensed area in good order and condition; and
 - b. pay to Her Majesty on demand the cost of repairing any damage to the licensed area or any other property of Her Majesty occasioned by the removal by the Licensee of its chattels.
38. If the Licensee is in breach of any term or condition of this licence, Her Majesty may,
 - a. give notice to the Licensee to remedy the breach of default within the time specified in the notice and if the Licensee fails to remedy such breach or default to the satisfaction of the Minister, the licence will terminate on the date specified; or
 - b. terminate the licence by giving the Licensee notice in writing of such termination.
39. The Licensee may terminate this licence at any time by giving the Minister sixty (60) days notice, in writing, of such termination.
40. The Licensee shall, throughout the term of this licence, maintain and keep in good order, any provincial or municipal licence enabling it to operate a day care facility.
41. The Licensee shall observe and comply with
 - a. all orders and directions issued by or on behalf of the Minister in respect of the licensed area or any risk thereto;
 - b. all federal or provincial statutes, regulations or orders or municipal bylaws which may, in any way affect the licensed area or its use as well as with all other orders or directives made or addressed to Her Majesty, the Minister or the Licensee pursuant to any statute, regulation, statutory instrument or bylaw; and
 - c. policies, directives or guidelines issued by the Treasury Board of Canada concerning day care facilities.
42. Failure by Her Majesty or the Minister to insist upon strict compliance with the terms of this licence or the performance of any covenant or provision herein shall not be deemed a waiver of any of the rights or remedies available to Her Majesty and shall not operate as a waiver of any subsequent breach or default of any covenant or proviso herein.
43. All of the obligations of the Licenses accruing hereunder during the term of this licence and all of the indemnities of the Licensee contained herein, shall survive the termination of this licence.
44. Nothing in this licence constitutes the Licensee as the agent of Her Majesty or the Minister for any purpose and the Licensee has no authority to bind Her Majesty or the Minister in any manner.
45.
 1. Any notice or demand to Her Majesty or the Minister provided for in this licence shall be sufficiently given if delivered to:
 2. Any notice or demand to the Licensee provided for in this licence shall be sufficiently given if delivered to:
 3. Delivery pursuant to this paragraph may be effected by prepaid registered mail with acknowledgement of receipt.
 4. Any notice given pursuant to this paragraph shall be deemed to have been received on the day of its delivery or on the day next following the date of its postmark.

46. Time shall, in all respects, be of the essence of this licence and every term, covenant or condition contained herein.
47. If any dispute or question shall arise between the parties hereto, during the term of this licence, respecting its interpretation or effect which the parties are unable to resolve by agreement, the same shall be determined by the Federal Court of Canada pursuant to subsection 17(3) of the Federal Court Act.
48. No member of the House of Commons shall be admitted to any share or part of this licence or to any benefit to arise therefrom.
49. No amendment of this licence nor any waiver of any of its terms shall be effective except by a written amendment signed by or on behalf of both parties.
50. This licence constitutes the entire agreement between the parties with respect to the matters agreed to herein and supersedes all earlier negotiations, communications, representations or agreements relating to it unless incorporated by reference into this licence.
51. This licence shall be governed by and construed in accordance with the laws in force in the Province of_____.

52. In this licence,

business day	means the days of the week from Monday to Friday in each week unless such day is a statutory holiday;
licensed area	means the part of the building referred, to in Schedule "A" and shown on a sketch plan outlined in red;
Minister	means the Minister of Public Works and includes the Deputy Minister and any official of Public Works Canada designated to act for or on behalf of the Minister;
normal business hours	means the hours from six o'clock in the forenoon until six o'clock in the evening on business days;
official language	means an official language of Canada under the Official Languages Act.
statutory holiday	includes any holiday observed pursuant to provincial or municipal law.

IN WITNESS WHEREOF this licence has been signed on behalf of the Deputy Minister of Public Works and the Secretary of the department of Public Works pursuant to Section 18 of the Public Works Act and _____ has hereunto caused its corporate seal to be hereunto affixed duly attested to by the proper officers in that behalf on the day and year first above written.

Witness

Regional Director, Accommodation

(print name)	(print name)
Witness	Regional Manager, Corporate Management
(print name)	(print name)
LICENSEE'S NAME	Per: _____
	(print name)
	(position)
(affix corporate seal)	Per: _____
	(print name)
	(position)

ANNEX C QUESTIONS AND ANSWERS

1. Are existing day care pilots exempt?

No. All pilot projects, with the exception of that of the National Film Board, which is a separate employer, will come under the policy upon the expiry of their current license agreement. They will also have a 5 year grace period for the rental subsidy, where the rent will be paid by the lead department. Where a current arrangement differs from the policy, the policy must be respected. Disputes will be referred to Treasury Board Secretariat for resolution.

2. Does PWC have to provide space if a request meets all other criteria under the policy?

The choice of site for a day care centre is left to the discretion of the custodian department including, but not limited to, the consideration of sites near, but not within, existing federally owned or leased office buildings. It is, therefore, unlikely that PWC could not find suitable space for a day care centre. The site, however, must respect all requirements of the policy including the condition that fit-up must not exceed \$400 K (\$1991). PWC may look at, in consultation with the lead department, several site alternatives which meet the lead department's requirements for a day care and which respects PWC responsibility in implementing the policy. PWC should take the lead in determining viable options for the day care centre. Should the situation occur where PWC cannot identify any space near the worksite suitable for a day care centre, this may effect the economic viability study for a day care in the vicinity. The tenant department should clearly define space requirements for a day care centre as per the delivery of any space.

3. Does the space allotted for the centre come from within the existing space entitlement of the lead department or a group of user departments?

This depends on the situation. The custodian is responsible for identifying a suitable location that is within or near the worksite. The only stipulation is that one department take the lead and financial accountability with respect to the federal subsidy and PWC consults directly with that department in all discussions regarding the location of the day care site. If more than one department is involved, then the lead department must communicate to PWC all of the worksites which will use the day care. Please note, however, that the space does not necessarily have to come from within existing space allotments, provided the requirements under the policy are respected. This space must, however, be covered in an OI signed with the lead department and the associated market rents remitted by the lead department to the custodian (PWC).

The principal is that the Real Property Program has not been resource to provide space for workplace day care centres in respect of non-reimbursing tenants and all space, if surplus to office or program related needs to the

tenant department reverts back to the PWC inventory to meet the office or program related needs of other tenant departments. Space for a day care centre is not a free good. As the employing department (lead department) determines whether a workplace day care centre should be established, the financial accountability must also rest with the employer or its representative.

4. **What about a situation where a tenant department wishes to locate the day care centre within its existing space and then requires supplemental space for its program delivery? This may have an impact in our leasing program should the supplemental space be acquired at a higher market rate than the space the day care centre occupies.**

The policy states that "fit-up, rent and wrap-up costs must come from within the existing financial resources of the relevant department" (section 1.8). As the custodian is responsible for determining an economically suitable location which meets the policy criteria, it must be aware of any potential funding requirements resulting from the choice of a day care centre site and advise the lead department accordingly. PWC does not have funding available to support expansion space of a tenant department required as a result of space occupied by a day care centre.

5. **Will a department who has not received an option require the same information and support as a department who has received an option? Should we proceed with our requirements under the policy?**

There may be instances where departments have joined efforts to obtain a day care centre and a department other than the one receiving the option is taking the lead. As well, departments who may be on a waiting list may be gearing up for an economic viability study should an option become available. TBS is currently reviewing the possibility of amending the Workplace Day Care Centres Policy to allow for the combining of option holders to form a consortium to establish a day care centre. The premise is still, however, that one department will still be considered the lead.

6. **At what point does PWC consider the project approved and proceed with fitting up a daycare?**

Under Section 2.4 of the Policy, the lead department must write to Secretary of the Treasury Board and the appropriate custodian within a 6 month time frame to state that they have met the conditions set out under the policy and will be proceeding with a day care centre. TBS will not challenge the decision made by the lead department, therefore PWC should consider the project approved. However, the lead department may require consultation from PWC during its economic viability study such as determining a site suitable for a day care centre and cost estimations for fit-up. Also, before PWC proceeds with actual fit-up and incurs expenses, it should ensure that the day care corporation has met its obligations under the policy (sec. 4) including entering into a license agreement with the custodian department. In addition, PWC should request a Letter of Understanding which clearly states the lead department's financial responsibilities to PWC under the Workplace Day Care Centres Policy.

7. **On which basis will the \$400K be indexed?**

The Consumer Price Index.

8. **Does fit-up include fees?**

Yes. Normal charging practices should not change as a result of this policy. Any fees normally charged to fit-up are considered part of fit-up for the purposes of the daycare policy and should be included within the \$400K ceiling permitted for fit-up.

9. **What is meant by rental subsidy? Does that mean full rent?**

Rental subsidy is the term used to state the amount of rent the lead department must pay the custodian for the space occupied by the day care centre. During the first 5 years, the lead department will pay 100% of the rent as this is a grace period for the day care centre. After the first five years, the payment may be shared by the lead

department and the day care corporation as per the rental subsidy calculation in Appendix B of the policy. The custodian will still receive the full rent for the space occupied by the day care centre.

10. **Under section 4.3 of the policy, the license agreement must state that the day care corporation must undertake to pay for utilities, cleaning and operational costs of the centre (excluding structural maintenance). Are these costs not included in the rent?**

Where it is normal PWC charging practice to include these costs within the rent, then they should not be broken out and charged separately to the day care corporation. However, any additional cleaning or operating requirements over and above the standard provided to all tenants will be the responsibility of the day care corporation and provision for the collection of these expenses should be included in the license agreement. This is an interpretation of the policy requirement and it has been agreed to by Treasury Board Secretariat. Notice of any change to this position will be forwarded to the Regional Directors.

11. **What about other costs which may be incurred by the custodian such as major repairs?**

The Workplace Day Care Centres Policy currently limits federal liability for a day care centre to fit-up and rent. Hence other cost items should be subject to the same rules as third party commercial tenants. Please note that TBS is currently reviewing this matter and is currently reviewing recommendations to amend the policy to allow departments to have more flexibility on how they spend the \$400K currently permitted for fit-up. These recommendations include extending the \$400K ceiling for fit-up, and/or expanding the definition of fit-up to include fit-up, fees and other first year start up costs.

12. **Do non-reimbursing tenants have to pay the rental subsidy for the day care centre?**

Yes. Under the policy, *all* lead departments must subsidise the annual rent for the day care, regardless of their reimbursing status via a transfer of resource levels through the MYOP. No incremental federal funding will be provided for the day care centre; funding must come from within the existing appropriations and reference levels of the lead department. A separate OI should be completed for the space occupied by the day care centre which clearly identifies the space and rental rate for both reimbursing and non-reimbursing tenants (lead department and day care centre).

14. **Is the calculation to determine the average annual percentage of Public Service children (Appendix B of the policy) based on the assumption that the centre is at full capacity. If so, what happens should a centre not be operating at full capacity when the rental subsidy is calculated?**

Annex B of the policy states that the day care centre monitors the percentage of their facilities being used by public service children. This implies that the percentage of utilisation rather than percentage of capacity of the centre is used to determine the rental subsidy and, therefore, the rental subsidy calculation will provide the correct rent reduction subsidy.

15. **How will the data pertaining to the percentage of public service children be monitored which determines the amount Public Works Canada receives from the day care corporation as rent?**

The collection of the data is the responsibility of the lead department and will be monitored by the lead department. It is in the best interest of the lead department to provide accurate information as this data will determine the amount of rent which the lead department must pay out of their reference levels.

16. **Will there be any exceptions to the policy where a department wishes to proceed with a day care but does not meet all of the criteria?**

All exceptions to the criteria set out in the policy must be approved by Treasury Board Secretariat and are the responsibility of the lead department.

ANNEX D OPTIONS ALLOCATED AS PER WORKPLACE

A. OPTIONS STARTING JULY 1, 1991 AND EXPIRING DECEMBER 31, 1991

1. Justice:
Deputy Minister: John C. Tait
Departmental Representative: Corinne Richards, (613) 941-1871
Location of Proposed Centre: Ottawa
* option extended until end of March 1992
2. Energy, Mines and Resources:
Deputy Minister: Bruce Howe
Departmental Representative: Elaine Shaw, (613) 943-0090
Project being undertaken with Agriculture as a partner
3. Transport Canada:
Deputy Minister: Huguette Labelle
Departmental Representative: Dora Preto, (613) 990-5693
Location of Proposed Centre: Ottawa
* Option extended until end of February 1992
4. Veterans Affairs Canada:
A/Deputy Minister: David Nicholson
Departmental Representative: Judith Murnaghan, (902) 566-8543
Location of Proposed Centre: Sainte-Anne-de-Bellevue
Project to be undertaken

B. OPTION STARTING JULY 26, 1991 AND EXPIRING JANUARY 27, 1992

5. Supply and Services Canada:
Deputy Minister: Nick Mulder
Departmental Representative: Jocelyn Ragan, (819) 956-4396
Location of Proposed Centre: Hull
* Option extended until end of April 1992

C. OPTIONS STARTING AUGUST 26, 1991 AND EXPIRING FEBRUARY 27, 1992

6. Fisheries and Oceans:
Deputy Minister: Bruce Rawson
Departmental Representative: Lise Sincennes, (613) 990-0046
Location of Proposed Centre: Ottawa
* option extended until May 26, 1992
7. Correctional Service Canada:
Commissioner: Ole Ingstrup
Representative: Holly Flowers, (613) 943-1940
Location of Proposed Centre: Region (to be determined)

D. OPTION STARTING JANUARY 6, 1992 AND EXPIRING JUNE 30, 1992

8. Indian Affairs and Northern Development:
Deputy Minister: Harry Swain
Departmental Representative: Jean Marshall, (613) 994-6537
Location of Proposed Centre: Hull

9. Revenue Canada Taxation:
Deputy Minister: Pierre Gravelle
Departmental Representative: Jean-Charles Cloutier (613) 957-2163
Location of Proposed Centre: Shawinigan sud

E. OPTION BEGINNING MARCH 2, 1992 AND EXPIRING AUGUST 31, 1992

10. Agriculture Canada:
Deputy Minister: Jean-Jacques Noreau
Departmental Representative: Jacqueline Knight (613) 995-9554
Project being undertaken with Energy, Mines and Resources

Waiting List:

Multiculturalism and Citizenship

February 20, 1992

ANNEX E - PROVINCIAL OFFICES RESPONSIBLE FOR DAY CARE

BRITISH COLUMBIA

Coordinator
Day Care and Infant Development Program
Ministry of Social Services and Housing
3rd Floor - Belmont Building
Victoria, British Columbia
V8V 1X4
(604) 387-1275

Provincial Child Care Facilities
Licensing Board
Ministry of Health
Parliament Buildings
1515 Blanchard Street
Victoria, British Columbia
V8W 3C8
(604) 387-2679

ALBERTA

Director
Child Care Programs
Alberta Social Services
11th Floor, 7th Street Plaza
10030 - 107th Street
Edmonton, Alberta
T5J 3E4
(403) 427-4477

SASKATCHEWAN

Director
Day Care Branch
Department of Social Services
1920 Broad Street
Château Tower
Regina, Saskatchewan

S4P 3V6
(306) 767-3855

MANITOBA

Director
Child Day Care Branch
Department of Family Services
114 Garry Street, 2nd Floor
Winnipeg, Manitoba
R3C 1G1
(204) 945-2668

ONTARIO

Director
Child Care Branch
Children's Services Division
Ministry of Community and Social Services
2 Bloor Street West, 30th Floor
Toronto, Ontario
M7A 1E9
(416) 327-4865

QUÉBEC

Président/Présidente
Office des services de garde à l'enfance
100 rue Sherbrooke est
Montréal, Québec
H2X 1C3
(514) 873-2323

NOVA SCOTIA

Director of Day Care Services
Family and Children's Services Division
Department of Community Services
P.O. Box 696
Halifax, Nova Scotia
B3J 2T7
(902) 424-3204

NEW BRUNSWICK

Provincial Coordinator
Early Childhood Services
Department of Health & Community Services
P.O. Box 5100
Fredericton, New Brunswick
E3B 5G8
(506) 453-2950

PRINCE EDWARD ISLAND

Provincial Coordinator for Early
Childhood Services
Corporate Services Division
Department of Health and Social Services
P.O. Box 2000
Charlottetown, Prince Edward Island
CIA 7N8

(902) 368-4956

NEWFOUNDLAND

Day Care and Homemaker Services
Department of Social Services
Confederation Building
P.O. Box 8700
St. John's, Newfoundland
A1B 4J6
(709) 729-5152

[\[Current Documents\]](#) [\[Français\]](#)