

Raising Wages & Benefits for Child Care Workers (HB 149)



Problem:



*telework + home
care = tough....*

- Persistent low wages and benefits result in high turnover and inadequate supply of child care workers.
- Low wages/benefits discourage investment in quality instruction



Why Does It Matter?

- Alaska needs to attract and retain high-earners including parents with families (currently losing population among age 30-50)
- Early childhood education has greatest impact on human capital development, and highest ROI



Live. Work. Play. Areas of Focus

The Anchorage Economic Development Corporation has a bold vision: to make Anchorage the #1 city in America. AEDC strives for this goal through a grassroots movement called Live. Work. Play. The rationale for such a vision goes beyond the traditional economic development model and responds to a shift in paradigm – people are no longer going where the jobs are, instead people are going to places they want to live and jobs are going where they are.

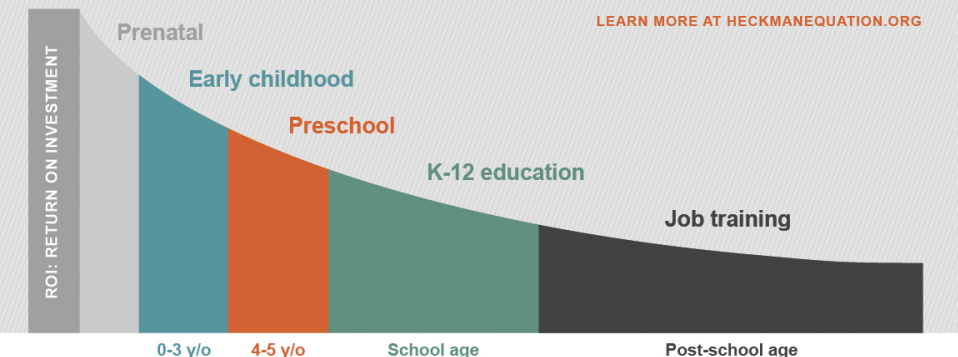
The AEDC Board of Directors recognized this paradigm shift in 2010 and has since built robust alliances with businesses, community organizations and government entities through LWP. Over the years, the initiative has shown increasing success and continues to draw community-wide support.



Return on Investment

Economic impact of investing in early childhood learning.

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Lessons from other States/Nations

- 11 U.S. states have established bargaining structures for home-based child care providers to bargain with state to establish livable wages and benefits that expand supply of child care providers
 - First state: Illinois, 2005. California most recent state to adopt model.
- European countries directly subsidize child care centers for parents of all income levels, and provide tax credits
 - And Northern Europe uses sectoral bargaining to set wages/benefits



Mechanisms to Raise Wages

- Collective Bargaining (U.S. model / H.B. 149)
- Establishing prevailing wages (based on U.S. construction policy model)
- Directly subsidize (Europe model)

What ideas
do you
have that
I'm missing
here?



Why Now?

- **Growing federal support for child care-> To deploy most effectively, need the right policy framework**
- **Pandemic decimated female participation in workforce AND crushed many child care providers-> Need to help industry and working families recover**

